

## **Network Connection Agreement (Negotiated) –**

### **[Project name (Load)]**

NSW Electricity Networks Operations Pty Limited ACN 609 169 959 as trustee for NSW Electricity Networks Operations Trust ABN 70 250 995 390 trading as Transgrid

**[Customer]** (ABN [Customer ABN])

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**PARTIES** **NSW Electricity Networks Operations Pty Limited** (ACN 609 169 959) as trustee for NSW Electricity Networks Operations Trust (ABN 70 250 995 390) of Level 1, 180 Thomas Street, Sydney NSW 2000 ("Transgrid")

[insert name of Customer, including any trust arrangements] (ABN [insert ABN of Customer]) of [insert address of Customer] (the "Customer")

## Background

- A. The Customer is, or will be at the Services Commencement Date, the owner and operator of the Customer's Facilities.
- B. Transgrid is, or will be at the Services Commencement Date, the owner (or lessee) and operator of the Assets.
- C. Transgrid has agreed to connect the Customer's Facilities to the Transmission System at the Connection Point and to provide the Customer with the Services on the terms set out in this agreement.

*[Drafting note: This template assumes that there will be one Connection Point for the Customer's Facilities (and further amendments will be required if that is not the case).]*

## The parties agree

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

The following words have these meanings in this agreement unless the contrary intention appears.

"ACCC" means the Australian Competition and Consumer Commission.

"Acceptable Credit Rating" has the meaning given to that term in paragraph 10 of Schedule 1.

"AEMC" means the Australian Energy Market Commission.

"AEMO" means the Australian Energy Market Operator.

"AER" means the Australian Energy Regulator.

"Agreed Capability" means, in relation to the Connection Point, the maximum capability (in MW) to take power from the Transmission System at the Connection Point as specified in Part A the Connection Agreement Data Book.

"Altered Services" has the meaning given to that term in clause 10.2(a).

"Annual Connection Fee" has the meaning given to that term in Schedule 5.

"Anticipated Minor Upgrade Costs" has the meaning given to that term in paragraph 12(a) of Schedule 5.

"Anticipated Upgrade Costs" has the meaning given to that term in paragraph 11(b)(i) of Schedule 5.

"Applicable Laws" means the ESA, the NEL, the Rules and any other legislation, rules, regulations, codes, Directives, licence conditions and other regulatory instruments which are directly or indirectly binding on or are expressed to apply to Transgrid or the Customer (as applicable), and which relate to the Transmission System (including the Assets, the Customer's Facilities, the performance of the Connection Work and the Customer's Work and/or the provision and receipt of any of the Services (and for the avoidance of doubt includes any Emissions Requirements)).

"Approved Bank" means an authorised deposit taking institution (as that term is used in the *Banking Act 1959* (Cth)), or other financial institution, either as must be approved by Transgrid.

**"Approved Digital Bank Guarantee Platform"** means a digital bank guarantee platform approved by Transgrid.

**"APRA"** means the Australia Prudential Regulatory Authority.

**"Asset"** and **"Assets"** have the meaning given to those terms in the Project Agreement.

**"Asset Stranding Charge"** has the meaning given to that term in paragraph 6 of Schedule 5.

**"Assignment"** has the meaning given to that term in clause 18.1 and the terms **"Assign"**, **"assignor"** and **"assignee"** will have corresponding meanings.

**"Associates"** means, in relation to a party:

- (a) each of that party's holding companies (as defined in the Corporations Act 2001 (Cth)), Subsidiaries or Related Bodies Corporate;
- (b) each of that party's sub-contractors;
- (c) all officers, employees, authorised agents, (sub-)contractors and professional advisers engaged or employed by or on behalf of that party and any person or entity referred to in limbs (a) or (b) above; and
- (d) any other person engaged or employed by or on behalf of the party in the performance of the Services or its obligations under this agreement.

**"Auditable Records"** means, in relation to a party, the records specified as "auditable records" in respect of that party in Part C of the Connection Agreement Data Book.

**"Authorisation"** has the meaning given to that term in the Project Agreement.

**"Authority"** means any government, governmental, semi-governmental or judicial entity or authority, including any self-regulatory organisation established under statute, AEMO, Transgrid acting as a *System Operator* or service provider to AEMO under clause 4.3.3 of the Rules, AER, AEMC and ACCC, provided that for the avoidance of doubt, while acting in any capacity other than as a *System Operator* or service provider to AEMO under clause 4.3.3 of the Rules, Transgrid is not an Authority under this definition.

**"Billing Period"** means:

- (a) the period from the Payment Commencement Date to the end of the then current calendar month;
- (b) the period from the first day of the month preceding the date of termination of this agreement to the date of termination of this agreement; and
- (c) each calendar month during the Term starting from the end of the period referred to in limb (a) above and ending on the beginning of the period referred to in limb (b) above.

**"Business Day"** means any day other than:

- (a) a Saturday, Sunday or public holiday in New South Wales; or
- (b) 27, 28, 29, 30 or 31 December.

**"Capacity"** means, at any time, the actual *power transfer capability* of Transgrid's *transmission network* to receive electrical power at, or deliver electrical power to, the Connection Point as determined by AEMO or Transgrid (as the case may be) from time to time in accordance with the requirements of the Rules and after taking into account (amongst other things):

- (a) the actual state or condition of Transgrid's *transmission network* at that time;
- (b) any variation in the *loading level* of Transgrid's *transmission network* since the Execution Date as notified by Transgrid to AEMO from time to time;

- (c) the terms of any *transmission network user access* arrangements which Transgrid is contractually bound to provide or satisfy at that time;
- (d) any *augmentations, extensions, additions or modifications* made to Transgrid's *transmission network* since the Execution Date to accommodate:
  - (i) the connection of additional Transmission Network Users to Transgrid's *transmission network*; or
  - (ii) any variations in the *loading level*; and
- (e) the rating of Transgrid's *transmission elements* as notified by Transgrid to AEMO from time to time.

**"Charges"** means the charges and other amounts payable under this agreement (including in particular, any charge or other amount determined in accordance with Schedule 5 from time to time).

**"Claims"** means all claims, demands, actions, disputes and proceedings whether arising in contract, tort (including breach of statutory duty and negligence), equity or otherwise.

**"Commencement Date"** means the 'Commencement Date' (as that term is defined in the Project Agreement) under the Project Agreement.

**"Connection Agreement Data Book"** means the document set out in Attachment 2, as amended by Transgrid and the Customer from time to time in accordance with the Project Agreement and clause 5.

**"Connection Assets"** means the assets described as such in Part A of the Connection Agreement Data Book.

**"Connection Point"** means a point at which power flowing to or from the Customer's Facilities can be isolated from the *transmission network*, as described in Part A of the Connection Agreement Data Book.

**"Connection Service"** means the services described in clause 2.2.

**"Connection Site"** has the meaning given to that term in the Project Agreement.

**"Connection Work"** has the meaning given to that term in the Project Agreement.

**"Consent Deed"** has the meaning given to that term in the Project Agreement.

**"Continuation Period"** has the meaning given to that term in clause 9.3.

**"Contract Year"** means each consecutive 12-month period during the term of this agreement commencing on the Payment Commencement Date (unless this agreement is terminated early, in which case the final Contract Year will be the period commencing on the anniversary of the Payment Commencement Date immediately preceding the date on which this agreement is terminated and ending on the date on which this agreement is terminated).

**"Contract Year Cap"** means the amount equal to the Annual Connection Fee for the Contract Year in which the claiming party became aware of the event causing Damages to that party.

**"Contract Year Settlement Amount"** has the meaning given to that term in paragraph 4 of Schedule 8.

**"Control"** has the meaning given to it section 50AA of the *Corporations Act 2001* (Cth).

**"Controlled Records"** means, in relation to a party, the records specified as "controlled records" in respect of that party in Part C of the Connection Agreement Data Book.

**"COVID-19"** has the meaning given to that term in clause 17.4(a).

**"Credit Support"** has the meaning given to that term in paragraph 2 of Schedule 1.

**"Credit Support Provider"** has the meaning given to that term in clause in paragraph 2 of Schedule 1.

**"Customer's Facilities"** means:

- (a) all *facilities* that are:
  - (i) directly or indirectly *connected* to the Transmission System at the Connection Point;
  - (ii) located on the Customer's side of the Connection Point; and
  - (iii) described in Part A of the Connection Agreement Data Book; and
- (b) all plant and equipment related to the *facilities* described in limb (a) above, whether or not owned, controlled or operated by the Customer (including any *dedicated connection assets*),

including the Customer's Protection, Control and Alarm Equipment but excluding the Connection Assets.

**"Customer's Property"** means equipment, real property, buildings or other structures owned, operated or otherwise used by the Customer in connection with the operation and maintenance of the Customer's Facilities.

**"Customer's Protection, Control and Alarm Equipment"** has the meaning given to that term in clause 4.1(a).

**"Customer's Technical Obligations"** means all Technical Obligations as may apply to the Customer at any time.

**"Customer's Work"** has the meaning given to that term in the Project Agreement.

**"Damages"** means all liabilities, injuries, expenses, losses, damages and costs of any nature (including legal costs on a full indemnity basis and whether incurred by or awarded against a party).

**"Date of Practical Completion"** has the meaning given to that term in the Project Agreement.

**"Default Rate"** means the Interest Rate plus a margin of 2.5%.

**"Directive"** means any present or future requirement, instruction, direction or order of an Authority (whether formal or informal) which is binding on, or expressed to apply to Transgrid or the Customer or relates directly or indirectly to the design, construction, operation or maintenance of the Transmission System (including the Assets) or the Customer's Facilities or the provision or receipt of any of the Services.

**"Easements"** has the meaning given to that term in the Project Agreement.

**"Emergency"** means the actual or imminent occurrence of an event which in any way poses or has the potential to pose a threat to the safety of persons, the environment, any equipment or property or *power system security*.

**"Emissions Requirements"** means any legislation, rule, regulation, code, Directive, licence condition or other regulatory instrument which has as one of its purposes the reduction or limitation of greenhouse gases, reporting greenhouse gas emissions or any related information, trading in greenhouse gas emissions, offsets or other types of greenhouse gas emissions related permits, addressing the effects of climate change, encouraging the generation of renewable energy or the minimisation of the impact on the environment of the electricity industry generally, or the imposition of any tax, levy, charge, impost or other cost levied in connection with the emission of greenhouse gases, and includes the *National Greenhouse and Energy Reporting Act 2007* (Cth), the *National Greenhouse and Energy Reporting Regulations 2008* (Cth) and the *Carbon Credits (Carbon Farming Initiative) Act 2011* (Cth).

**"ESA"** means the *Electricity Supply Act 1995* (NSW).

**"Event"** has the meaning given to that term in clause 10.1(b).

**"Excess Services"** has the meaning given to that term in clause 2.10(i).

**"Execution Date"** means the date this agreement is executed by the last party to do so.

**"Exit Services"** means the services described in clause 2.3(b).

**"Expert"** means a person appointed as an expert pursuant to clause 14.3.

**"Expiry Date"** means the date that is [25] years from the Services Commencement Date.

***[Drafting note: Duration of connection to be confirmed and updated on a project by project basis.]***

**"Fault"** means an abnormal *network* circuit connection which inhibits or prevents the conveyance of balanced 3 phase electrical current through a line or some other piece of equipment and requires corrective action to restore the line or piece of equipment to within normal operating limits.

**"Fault Clearance Time"** means the time required for a *protection system* to automatically operate circuit breakers to clear a Fault.

**"Financial Default"** means a failure by one party to pay to another party an amount due to that party under this agreement at the due time for that payment, subject to any right under clause 3.6 to raise a bona fide dispute in relation to such amount.

**"Fitch Ratings"** means Fitch Ratings Inc.

**"Force Majeure Event"** has the meaning given to that term in clause 11.1(a).

**"Fund"** means a trust, a partnership, a body corporate or similar vehicle that is used for collective investment by investors or members.

**"GST"** has the meaning given to that term in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**"GST Amount"** has the meaning given to that term in clause 3.5(d).

**"Guaranteed Amount"** has the meaning given to that term in paragraph 3 of Schedule 1.

**"Insolvency Event"** means, in respect of a party, any of the following events:

- (a) an administrator is appointed or a resolution is passed or any steps are taken to appoint, or to pass a resolution to appoint an administrator to that party;
- (b) a receiver, receiver manager, official manager, trustee, administrator, other controller (as defined in the *Corporations Act 2001* (Cth)) or similar officer is appointed over the assets or undertakings of that party;
- (c) that party enters into or proposes to enter into any arrangement, composition or compromise with or assignment for the benefit of, its creditors or a class of them;
- (d) that party is deemed by the provisions of the *Corporations Act 2001* (Cth) to be insolvent; and/or
- (e) anything occurs that has a substantially similar effect to any of the events set out in limbs (a) to (d) above.

**"Insurance Cover"** has the meaning given to that term in clause 20.1.

**"Intellectual Property Rights"** means intellectual property rights being all rights conferred by law, including those in and in relation to inventions, patents, designs, copyright, registered and unregistered trademarks, trade names, brands, logos and get up, names, circuit layouts and confidential information and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

**"Interest Rate"** means, in relation to a particular day, the Overdraft Index Rate applied that day by the Commonwealth Bank of Australia (ACN 123 123 124) (which rate is published at <https://www.commbank.com.au/business/rates-fees.html>). If the bank stops publishing that rate, then it

means an equivalent rate used on that day by the Commonwealth Bank of Australia at which it lends money to its corporate customers.

**"kV"** means kilovolts.

**"Land"** has the meaning given to that term in the Project Agreement.

**"Licences"** has the meaning given to that term in the Project Agreement.

**"Load Shed Event"** means a reduction or complete disconnection of load automatically initiated by Transgrid in accordance with a Directive and/or with the requirements set out in the Rules and this agreement (including the Operation Protocol).] **[Drafting Note:** *To be assessed for inclusion on a project-by-project basis.*]

**"Manual Reclosure"** means the reclosure of a circuit breaker through manual intervention following the detection of a Fault on a *transmission line* or a *distribution line*.

**"Maximum Permitted Demand"** means, in relation to an Exit Service at the Customer's Facilities, the amount in MW described as such in Part A of the Connection Agreement Data Book.

**"Metering Equipment"** means the equipment (if any) listed in relation to a Metering Installation in Part B of the Connection Agreement Data Book.

**"Metering Installation"** means the assembly of components (if any) described in Part B of the Connection Agreement Data Book.

**"MHC"** means Electricity Transmission Ministerial Holding Corporation (ABN 19 622 755 774).

**"Minor Upgrade Work"** has the meaning given to that term in paragraph 12(a) of Schedule 5.

**"Modern Slavery"** includes any conduct which constitutes modern slavery under any law, including without limitation slavery, human trafficking, servitude, forced labour and forced marriage.

**"Modern Slavery Laws"** means any of the following:

- (a) the *Modern Slavery Act 2018* (Cth);
- (b) Divisions 270 and 271 of the *Criminal Code 1995* (Cth); and
- (c) any other Applicable Laws or legal requirements relating to modern slavery.

**"Moody's Investors Service"** means Moody's Investors Service Pty Ltd.

**"National Electricity Law" or "NEL"** means the 'National Electricity Law' set out in the Schedule to the *National Electricity (South Australia) Act 1996* (SA) as it applies to New South Wales.

**"Non-Financial Default"** means any default or a failure to perform this agreement which is not a Financial Default.

**"Operating Procedure"** means an operational instruction or procedure specified as such by Transgrid.

**"Operating Protocol"** means the document set out at Attachment 3 as amended from time to time in accordance with the Project Agreement, by agreement of the parties or otherwise as required under the Rules.

**"Other Transgrid Customer"** means any person other than the Customer who has equipment *connected* to the Transmission System or to whom Transgrid provides *transmission services* from time to time during the Term.

**"Outage Plan"** has the meaning given to that term in paragraph 2 of Schedule 2.

**"Payment Commencement Date"** means the later of the Date for Practical Completion under the Project Agreement and the earlier of:

- (a) the Date of Practical Completion under the Project Agreement; and
- (b) if Practical Completion under the Project Agreement cannot be achieved due to a failure of the Customer to comply with the Project Agreement or this agreement, including a failure to complete any of the Customer's Work or obtain any Authorisation under the Project Agreement (including a failure to obtain approval of the Customer's Technical Obligations or AEMO registration in respect of the Customer's Facilities) necessary for the commissioning or testing required to demonstrate Practical Completion under the Project Agreement, the date that Transgrid would have been capable of completing the necessary commissioning or testing required to demonstrate Practical Completion under the Project Agreement were it not for that failure of the Customer.

**"Payment Date"** has the meaning given to that term in paragraph 6 of Schedule 5.

**"Performance Scheme"** has the meaning given to that term in paragraph 1 of Schedule 8.

**"Performance Standards"** means, in relation to the Customer's Facilities, the *performance standards* registered with AEMO from time to time in relation to any part of the Customer's Facilities or the *performance standards* taken to be an applicable performance standard in accordance with clause 5.3.4A(i) of the Rules, as applicable.

**"Period Settlement Amount"** has the meaning given to that term in paragraph 3 of Schedule 8.

**"PPSA"** means the *Personal Property Securities Act 2009* (Cth).

**"Project Agreement"** means the Project Agreement for the connection of the [Customer project name] entered into between Transgrid and the Customer on or about the Execution Date.

**"Related Body Corporate":**

- (a) in the case of Transgrid, means NSW Electricity Networks Assets Pty Limited (ACN 609 169 922) as trustee for the NSW Electricity Networks Assets Trust and each of their respective related bodies corporate (within the meaning of limb (b) below); and
- (b) in the case of any party or entity, has the meaning given in the *Corporations Act 2001* (Cth), but on the basis that "subsidiary" has the meaning given to Subsidiary in this agreement and that "body corporate" includes a Fund.

**"Related Company"** means any entity (other than the Customer) which:

- (a) is registered under the Rules as a *Customer* under the Rules in relation to the *connection point* for the Customer's Facilities (or any part of the Customer's Facilities);
- (b) would have been required under the Rules to be registered as a *Customer* in relation to the Customer's Facilities (or any part of the Customer's Facilities) if another party had not been registered as an *Intermediary* under the Rules in relation to the Customer's Facilities (or that part of the Customer's Facilities); or
- (c) otherwise deals with or enters into contracts with either the Customer or with a company described in paragraph (a) or (b) in relation to a contract:
  - (i) for the purchase of electricity imported or exported by the Customer's Facilities (or by virtual reference to the Customer's Facilities); or
  - (ii) under which that party has a right to otherwise deal with, trade, share revenue, or hedge in relation to the electricity imported or exported by the Customer's Facilities (or by virtual reference to the Customer's Facilities).

**"Relevant Event"** has the meaning given to that term in paragraph 1 of Schedule 8.

**"Rules"** means the National Electricity Rules as defined in the NEL.

**"Security Interest"** means any mortgage, charge, lien, pledge, encumbrance, title retention arrangement, assignment, security or other preferential interest including a 'security interest' as defined in the PPSA.

**"Services"** means each of the services which Transgrid is required to provide to the Customer under clause 2 and **"Service"** means any of those services.

**"Services Commencement Date"** has the meaning given to that term in the Project Agreement.

**"Standard & Poor's"** means Standard & Poor's (Australia) Pty Limited.

**"Subsidiary"** has the meaning given to "subsidiary" in the *Corporations Act 2001* (Cth), amended as necessary such that:

- (a) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (b) a body corporate or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a body corporate.

**"Switching"** means mechanically or electronically opening or closing an electrical path.

**"System Strength Charges"** has the meaning given to that term in paragraph 9(a) of Schedule 5.

**"System Operations Function"** means a "system operations function or power" as defined in Section 119 of the NEL.

**"Technical Obligations"** means in relation to:

- (a) Transgrid and the Transmission System, the requirements set out in Schedules S5.1a and S5.1 of the Rules from time to time, as those requirements are fixed, determined, specified or modified by any derogations in force under the Rules at that time and/or by Part E of the Connection Agreement Data Book;
- (b) the Customer and the Customer's Facilities, the Performance Standards and the other standards and requirements set out in (or determined in accordance with) Part E of the Connection Agreement Data Book; and
- (c) a party, any other requirements or standards (in addition to those referred to in limbs (a) and (b) above) set out in, or published by any Authority under, Applicable Laws that relate to the physical performance or operation of, or a service provided by, that party's electricity infrastructure (as those requirements are modified by any derogations in force under those Applicable Laws at that time or the provisions of this agreement).

**"Term"** means the period on and from the Commencement Date to the earlier of the Expiry Date and the date on which this agreement is terminated in accordance with clause 11.4 or clause 12.

**"Third Party Property"** means property owned, leased or otherwise under the control of a third party which is leased, occupied or used by a party to this agreement.

**"Transgrid's Equipment"** means equipment which forms part of the Transmission System.

**"Transgrid's Property"** means property, buildings or other structures owned, operated or otherwise used by Transgrid (including the Connection Site, as the case may be).

**"Transgrid's Protection, Control and Alarm Equipment"** has the meaning given to that term in clause 2.5(a).

**"Transmission Network Lease"** has the meaning given in clause 18.10.

**"Transmission System"** means *connection assets* and *transmission network* used by Transgrid to provide *transmission services*, and includes the Assets.

**"Transmission Use of System Charges"** has the meaning given to that term in paragraph 8(a) of Schedule 5.

**"Trust"** means the NSW Electricity Networks Operations Trust ABN 70 250 995 390.

**"Trustee"** means the trustee of the Trust, which as at the Execution Date is NSW Electricity Networks Operations Pty Limited (ACN 609 169 959).

**"Upgrade Work"** has the meaning given to that term in paragraph 11(a) of Schedule 5.

**"Voltage Range"** means the range of voltages at the Connection Point with the Connection Assets servicing that Connection Point in normal service and the balance of the Transmission System in a *satisfactory operating state* (which range of voltages as at the Execution Date are set out in Part A of the Connection Agreement Data Book).

**"Work"** means installation, construction, commissioning, *augmentation*, *extension*, removal, inspection, testing, undertaking of repairs, undertaking of maintenance of the Transmission System or the *connection* of another *Network User* to the Transmission System.

## 1.2 Rules definitions and references

In this agreement, unless the context otherwise requires:

- (a) words appearing in italics have the meaning assigned to them from time to time by the Rules; and
- (b) if a word in italics is no longer defined in the Rules, it will have the meaning last assigned to it by the Rules until the parties otherwise agree.

## 1.3 General interpretation

In this agreement unless the contrary intention is specifically expressed:

- (a) a reference to a recital, clause, paragraph, schedule or attachment is a reference to a recital, clause or paragraph of or schedule or attachment to this agreement and references to this agreement include any schedule or attachment;
- (b) a reference to this agreement, any other agreement, deed or instrument or any provision of any of them includes any amendment, variation or replacement of that agreement, deed, instrument or provision;
- (c) a reference to a statute, ordinance, licence, code or other law includes regulations and other instruments under, and consolidations, amendments, re-enactments, extensions or replacements of that statute, ordinance, licence, code or law;
- (d) a reference to a thing (including an amount) is a reference to the whole and each part of it;
- (e) the singular includes the plural and vice versa;
- (f) the word "person" includes a natural person, firm, body corporate, partnership (whether limited or otherwise), joint venture, trust, an unincorporated association and any authority;
- (g) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (h) a reference to one gender includes all genders;

- (i) if a period of time is specified and the period dates from a given day or the day of an act or event, it is to be calculated exclusive of that day and, if a period of time is specified as commencing on a given day or the day of an act or event, it is to be calculated inclusive of that day;
- (j) a reference to a day is a reference to a period of time commencing at midnight and ending the following midnight;
- (k) a reference to a month is a reference to a calendar month;
- (l) a reference to time is a reference to Sydney time;
- (m) mentioning anything after include, includes or including does not limit what else might be included;
- (n) if a word or phrase is specifically defined in this agreement other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (o) any reference to a party complying with the requirements of the Rules will in the case of the Customer include all requirements of the Rules which are expressed to apply to a *Customer* in relation to the Customer's Facilities, even if the Customer is not registered or ceases to be registered as the *Customer* for the Customer's Facilities under the Rules or appoints an *intermediary* for the Customer's Facilities under clause 2.9.3 of the Rules; and
- (p) a reference to "\$", AUD or dollars is to Australian currency.

#### 1.4 Determinations, consents and discretions

A reference in this agreement to a party:

- (a) making a determination;
- (b) giving its consent; or
- (c) exercising a discretion,

will be interpreted as a reference to that party making that determination, giving that consent or exercising that discretion on reasonable grounds, after taking into account all relevant facts and (where applicable) in a manner which reflects and is consistent with *good electricity industry practice* at that time.

#### 1.5 Headings

Headings are inserted for convenience and do not affect the interpretation of this agreement.

#### 1.6 Conditions precedent and Term

- (a) Subject to clause 1.6(b), this agreement does not come into force or effect until the Commencement Date.
- (b) Clauses 1, 12.1, 13 to 21 (inclusive) and 23 come into force and effect on the Execution Date.
- (c) [Notwithstanding any other provision of this agreement, if the Commencement Date has not occurred by the Notice to Proceed Deadline (as defined in the Project Agreement) (or any other date the parties agree in writing), either the Customer or Transgrid may terminate this agreement by serving written notice to the other parties.]

**[Drafting note: This drafting will be included if Transgrid has agreed to a 'Notice to Proceed' regime under the Project Agreement.]**

- (d) Only Transgrid may waive the condition precedent referred to in clause 1.6(a).
- (e) Notwithstanding any other provision of this agreement, Transgrid is not required to commence to perform the Connection Services or provide the Exit Services until:

- (i) Transgrid and/or AEMO have provided written approval of the Customer's Technical Obligations under the Rules where such approval is required under the Rules; and
- (ii) the Customer has provided to Transgrid Credit Support which satisfies the requirements of Schedule 1.

## 1.7 Relationship between Transgrid, the Customer and the Rules

- (a) The parties acknowledge that the Rules contain certain provisions which are relevant to the operation of this agreement, and which need to be incorporated into this agreement:
  - (i) to enable Transgrid to properly comply with its obligations as a registered *Network Service Provider* and *Primary Transmission Network Service Provider* under the Rules; and
  - (ii) to require the Customer to comply with various technical obligations imposed upon the Customer in relation to the operation of the Customer's Facilities under the Rules.
- (b) For the period while the Customer is not a *Registered Participant*, any provisions of Chapters 4, 5, 7 and 8 of the Rules that set out:
  - (i) rights and obligations of a *Customer* against a *Network Service Provider* and vice versa; and
  - (ii) technical and operational specifications that are relevant to the Customer's Facilities that are the subject of this agreement,and are required for any of the purposes set out in clause 1.7(a), are incorporated into this agreement *mutatis mutandis* and any reference to the application of the Rules to the Customer, or the compliance by the Customer with the Rules, under this agreement will be taken to be the application of, or compliance with, those Rules referred to in this clause 1.7(b).

- (c) Any provisions that are incorporated into this agreement under clause 1.7(b) must be read and construed in accordance with the following:
  - (i) references to a *Customer* (as applicable) and analogous terms are to be taken to be references to the Customer as appropriate;
  - (ii) references to *Non-Registered Customer*, *Transmission Customer*, *Transmission Network User* and *Network User* are to be taken to be references to the Customer as appropriate;
  - (iii) references to *Network Service Provider* and analogous terms are to be taken to be references to Transgrid;
  - (iv) any other terms relevant to the abovementioned terms must be construed accordingly; and
  - (v) to the extent the provision purports to impose an obligation on a party to:
    - A. interact in some manner with a third party;
    - B. comply with a requirement of a third party;
    - C. provide information to a third party; or
    - D. be subject to the jurisdiction of a third party,that requirement will have no effect.
- (d) This clause 1.7 does not affect Transgrid's obligation to comply with the Rules as a registered *Network Service Provider* and the Customer's obligation to comply with the Rules, as the case may be, as a *Registered Participant*, a *Non-Registered Customer*, a *Transmission Customer*, a *Transmission Network User* and/or a *Network User*.

- (e) In addition, in order to interpret the above provisions, the following provisions of the Rules apply to the extent necessary to give meaning to any provisions incorporated into the agreement in accordance with clause 1.7(b) above:
  - (i) Clause 4.1.1;
  - (ii) Clause 5.1A.1 and 5.1.2;
  - (iii) Clause 7.1.1;
  - (iv) Clause 8.1.3;
  - (v) Chapter 9, to the extent that it modifies any provisions incorporated into the agreement in accordance with clause 1.7(b) above;
  - (vi) Chapter 10; and
  - (vii) any other provisions which are specifically referred to in Chapter 10 and are necessary to give meaning to the definitions set out in Chapter 10.
- (f) The parties agree and acknowledge that this agreement is a *connection agreement* for the purposes of clause 5.3.7(f1) of the Rules.

## 2. SERVICES TO BE PROVIDED BY TRANSGRID

### 2.1 Services

Subject to the terms of this agreement, as from the Services Commencement Date and thereafter during the Term, Transgrid will provide the following *transmission services* to the Customer in accordance with the terms and conditions of this agreement, namely:

- (a) the Connection Services described in clause 2.2; and
- (b) the Exit Services described in clause 2.3(b).

### 2.2 Connection Services

Transgrid will, on the terms set out in this agreement, *connect* the Customer's Facilities to the Connection Assets at the Connection Point and allow the Customer's Facilities to remain *connected* at the Connection Point (the "**Connection Services**").

### 2.3 Exit Services

- (a) Transgrid will, on the terms set out in this agreement:
  - (i) provide the capability of the Connection Assets to enable the Customer to take power from the Transmission System at the Connection Point up to but not exceeding the Agreed Capability at that Connection Point, provided that:
    - A. the provision of such capability does not impose on Transgrid any greater obligations than it otherwise would have under the Rules; and
    - B. the Customer pays any charges to Transgrid which Transgrid is required or permitted to charge under this agreement or Applicable Laws (including any applicable Transmission Use of System Charges and System Strength Charges);
  - (ii) maintain and operate the Connection Assets so as to provide the capability referred to in clause 2.3(a)(i) in accordance with the requirements of all Applicable Laws and in a manner and to a standard consistent with *good electricity industry practice*,

("Exit Services").

(b) [The Customer acknowledges that, during the period from the Payment Commencement Date until the Services Commencement Date, the Customer will only be entitled to utilise the capability referred to in clause 2.3(a) for the purpose of carrying out the joint commissioning and testing process referred to in clauses [7.10] and [10.2] of the Project Agreement, before the Connection Assets can be connected to the Transmission System and first energised.]

*[Drafting note: Transgrid to review and determine whether to include this clause on a project by project basis.]*

## 2.4 Operation of Transmission System

(a) Subject to clause 2.4(c), Transgrid will use its best endeavours to manage, operate and maintain the Transmission System:

- (i) in accordance with the requirements of all Applicable Laws and in a manner which is consistent with the Technical Obligations and *good electricity industry practice*; and
- (ii) so as to protect and avoid damage to or any other adverse effect upon the Customer's Facilities which Transgrid knows or ought reasonably know could occur if it does not comply with clause 2.4(a)(i).

(b) The Customer acknowledges that, notwithstanding Transgrid's compliance with clause 2.4(a):

- (i) the Transmission System forms part of an interconnected electrical system to which the *facilities* of many other persons are directly and indirectly *connected*;
- (ii) the behaviour of the interconnected electrical system is dynamic and will vary from moment to moment;
- (iii) the behaviour of the interconnected electrical system depends on the interaction of all plant and equipment *connected* (directly or indirectly) to it;
- (iv) other persons whose plant and equipment is *connected* (directly or indirectly) can impact the operation, performance and outcomes of the Transmission System and the Services;
- (v) the Transmission System is subject to an "open access regime" established by the Rules and, accordingly, Transgrid must provide *transmission services* to other persons in accordance with that regime and this requirement may impact on the provision of the Services by Transgrid under this agreement; and
- (vi) no guarantee or warranty, either express or implied, is given by Transgrid to the Customer that the Transmission System will be able to provide the Services at all times.

(c) For the avoidance of doubt, nothing in this clause 2.4 constitutes a waiver by Transgrid of, nor an agreement to limit or exclude, any limitation of Transgrid's liability, or immunity of Transgrid from liability, under sections 119 or 120 of the NEL.

## 2.5 Protection and control systems

(a) Transgrid must provide the protection, control and alarm equipment specified in paragraph 3 of Part A and/or in Part D of the Connection Agreement Data Book ("**Transgrid's Protection, Control and Alarm Equipment**") and must, from time to time, use its reasonable endeavours to agree on parameter settings and testing intervals for that equipment with the Customer.

(b) Transgrid must maintain Transgrid's Protection, Control and Alarm Equipment so that it continues to operate at the parameter settings agreed under clause 2.5(a) or determined in accordance with clause 2.5(c).

(c) In the event that Transgrid and the Customer are unable to agree on parameter settings for Transgrid's Protection, Control and Alarm Equipment under clause 2.5(a), the matter will be resolved in accordance with clause 14.

## 2.6 Fault clearance

Transgrid and the Customer must use all reasonable endeavours to achieve the Fault Clearance Times referred to in Part E of the Connection Agreement Data Book (in the case of Transgrid) and in the Performance Standards (in the case of the Customer). Subject to any Rules to the contrary, neither Transgrid nor the Customer will increase the Fault Clearance Times above the Fault Clearance Times referred to in Part E of the Connection Agreement Data Book without prior written agreement of the other party.

## 2.7 Signals, data and alarms

Transgrid must comply with Part D of the Connection Agreement Data Book.

## 2.8 Co-ordination of Outage Plan and maintenance activities

Transgrid must comply with Schedule 2.

## 2.9 Metering

Transgrid must comply with Schedule 3.

## 2.10 *Transmission network* capacity limitation

The parties agree that:

- (a) the actual amount of electricity which can be taken by the Customer's Facilities (at the Connection Point) from Transgrid's *transmission network* at any point in time will depend upon (amongst other things) the Capacity of Transgrid's *transmission network*, the Agreed Capability at the Connection Point and the Maximum Permitted Demand of the Customer's Facilities at that time;
- (b) without limiting clause 2.10(a), conditions on or affecting Transgrid's *transmission network* (including *constraints* caused by other *Network Users* taking electricity from Transgrid's *transmission network* in accordance with the terms of the Rules and their respective *connection agreements* with Transgrid) may, at any point in time, limit the actual amount of electricity which can be taken by the Customer's Facilities (at the Connection Point) from Transgrid's *transmission network* to an amount which is equal to the available Capacity of Transgrid's *transmission network* at that time;
- (c) the Capacity of Transgrid's *transmission network* to deliver electricity to the Customer's Facilities at the Connection Point will only be available to be utilised by the Customer on a non-exclusive or "non-firm" basis (i.e. the Customer has no exclusive or "firm" right or entitlement to use all or any part of the available Capacity of Transgrid's *transmission network* in priority to any other *Transmission Network User*);
- (d) Transgrid will not be liable (to the maximum extent permitted at law and whether in tort (including negligence), contract or otherwise) for any Damages suffered or Claims incurred by the Customer (or any third party with whom the Customer contracts, including a Related Company) as a direct or indirect result of the Customer being unable to take electricity from Transgrid's *transmission network* at a Connection Point due to any limitation in relation to the Capacity of the Transgrid *transmission network* at that time (including any constraint caused by other *Network Users* injecting electricity into Transgrid's *transmission network* in accordance with the terms of the Rules and their respective *connection agreements*);
- (e) the Customer has applied to Transgrid for the provision of *transmission services* specifying:

- (i) the Connection Point to which the application relates;
- (ii) the Services which the Customer wishes Transgrid to provide at the Connection Point; and
- (iii) the period during which the Customer wishes Transgrid to provide the Services;
- (f) as at the Execution Date, Transgrid reasonably considers that:
  - (i) all equipment which forms part of the Transmission System will continue to operate (immediately after the Services Commencement Date) within the ratings specified for such equipment; and
  - (ii) the reliability, capability, performance or standard of *transmission services* at any *connection point* on the Transmission System will not be reduced by the *connection* of the Customer's Facilities; and
- (g) if Transgrid, in response to a request from the Customer or where required under any Applicable Laws, provides any Services which are over and above the standard of services that is required to be provided under this agreement (including with respect to power transfer levels as referred to in clause 2.3) or Applicable Laws (the "**Excess Services**"), then:
  - (i) the Customer will comply with any conditions imposed by Transgrid and any directions given by Transgrid (including any requests to reduce the amounts of power taken by the Customer's Facilities) while such Excess Services are being provided, on the basis that:
    - A. if the Customer has requested Transgrid to provide the Excess Services, such conditions and directions must first be agreed to by the Customer (acting reasonably); and
    - B. if the Excess Services are provided due to a requirement under Applicable Law, such conditions may be reasonably determined by Transgrid; and
  - (ii) during the period in which any such Excess Services are being provided by Transgrid, the performance and reliability standards specified in clauses 2.3 and 2.12 will, subject to the other terms of this agreement, continue to apply to the non-Excess Services but will not apply to the Excess Services and Transgrid will have no liability to the Customer if it fails to meet those standards in so far as that failure relates to the Excess Services.

## 2.11 Reduction of power transfer capability

If the Customer fails to comply with a direction given by Transgrid under clause 2.10(i) or if Transgrid reasonably considers that it is not practicable to give such a direction, or if the Customer fails to comply with a condition imposed or a direction given under clause 2.10(i), Transgrid may take any reasonable action to reduce the Services at the Connection Point to a level which Transgrid reasonably considers prudent.

## 2.12 Fault levels and Voltage Range

- (a) The parties agree and acknowledge that the fault levels specified in Part A of the Connection Agreement Data Book (in the case of Transgrid) and in the Performance Standards (in the case of the Customer) are an approximation of actual fault levels that may apply at a Connection Point from time to time.
- (b) To ensure that the fault levels specified in Part A of the Connection Agreement Data Book (in the case of Transgrid) and the Performance Standards (in the case of the Customer) resemble, as closely as possible, the actual fault levels applying at the Connection Point from time to time, each party agrees to:
  - (i) periodically review the fault levels applying at the Connection Point; and

- (ii) consult with the other parties and exchange such information as is necessary to facilitate each party's conduct of a review under clause 2.12(b)(i).
- (c) Each party will ensure that all plant and equipment owned, controlled or operated by it at the Connection Point can withstand the actual fault levels applying at the Connection Point from time to time.
- (d) Transgrid will ensure that all equipment owned, controlled or operated by it at the Connection Point can withstand the Voltage Range specified in respect of that Connection Point in Part A of the Connection Agreement Data Book.
- (e) Transgrid may propose a change to the Voltage Range applying at a Connection Point in accordance with clause 5.2.
- (f) If the parties agree on an amendment to the fault level or Voltage Range at a Connection Point in accordance with clause 2.12(b) or clause 2.12(e), the parties agree to amend the Connection Agreement Data Book as required to record the new fault level or Voltage Range in accordance with clause 5.3(b).
- (g) In the event that the parties are unable to agree on an amendment to the fault level or Voltage Range at a Connection Point within 28 days after commencing discussions, the matter will be resolved in accordance with clause 14. However, no amendment will be made to the Connection Agreement Data Book unless:
  - (i) the dispute has been resolved in accordance with clause 14; and
  - (ii) the amendment is required to enable a party to comply with Applicable Laws or *good electricity industry practice*.

### 3. PAYMENTS FOR SERVICES

#### 3.1 Amount of Charges

- (a) The Customer must pay to Transgrid any charges payable under this agreement and any other amount which is payable by the Customer from time to time under Schedule 5 (the "**Charges**") in accordance with the requirements of Schedule 5.
- (b) The Customer acknowledges and agrees that the Charges are payable on and from the Payment Commencement Date irrespective of whether the Services Commencement Date has occurred and provision of the Services has commenced.
- (c) The parties agree and acknowledge that the Customer is responsible for paying the Charges for Services provided to the Customer under this agreement.

#### 3.2 Invoicing

- (a) Transgrid will render to the Customer within 10 Business Days after the end of each Billing Period an invoice for the Charges payable under clause 3.1 in relation to that Billing Period or a previous Billing Period.
- (b) The Customer must pay Transgrid the amount stated as payable on any such invoice by direct credit to the bank account from time to time specified for this purpose by Transgrid or such other method as agreed in writing between them.
- (c) Payments by the Customer must be made no later than 4:00 pm on the 10th Business Day after the date of an invoice rendered by Transgrid under this clause 3.2.

### 3.3 Contents of invoices

Transgrid will ensure that any invoices rendered under clause 3.2 will be valid for GST purposes and will include the following information:

- (a) **Charges:** particulars of the Charges payable by the Customer or amount due to the Customer under clause 3.1 (including sufficient information in relation to such Charges and other amounts to reasonably enable the Customer to verify the basis of the relevant charge or other amount);
- (b) **Other amounts:** particulars of any other Charges payable by the Customer in respect of the invoice period that applies under clause 3.2, including any amounts payable under clauses 3.4, 3.5, 3.7, 3.8 and 3.9 (including sufficient information in relation to such charges to reasonably enable the Customer to verify the basis of the relevant charges); and
- (c) **Rules information:** any information required to be provided in invoices under clause 6A.27.2 of the Rules.

### 3.4 Taxes

If:

- (a) the Customer is required by law to make any deduction or withholding from any amount paid or payable by it under this agreement; or
- (b) Transgrid is required by law to make any payment, or any increased payment, on account of a tax, duty, levy, impost or other charge or in the nature of any such thing on or in relation to any amount received or receivable by it under this agreement or in relation to any Services provided under this agreement or which is payable as a result of entering into or performing this agreement (other than income tax payable by Transgrid),

and such amount or increased amount is not in respect of GST and the Charges have not otherwise been adjusted to reflect or take account of the relevant deduction, withholding or payment then:

- (c) the Customer will ensure that any such deduction or withholding does not exceed the legal minimum and will pay any such tax or other amount required to be deducted or withheld to the relevant taxation or other authority before the date on which penalties apply;
- (d) the amount payable by the Customer under this agreement will be increased to the extent necessary to ensure that, after the making of the relevant deduction, withholding or payment (and in the case of it applying to a Service provided under this agreement or which is payable as a result of entering into or performing this agreement and it is also applicable to Other Transgrid Customers, then the amount must be prorated between the Customer and the Other Transgrid Customers), Transgrid receives and retains (free from any liability in respect of any such deduction, withholding or payment) a net amount (after allowances for any credit or benefit received by Transgrid as a result of the Customer's deduction, withholding or payment) equal to the amount which Transgrid would have received and so retained had no such deduction, withholding or payment been made unless Transgrid is prohibited under the Rules from receiving such amount; and
- (e) the Customer will deliver to Transgrid, within 5 Business Days after each deduction or withholding is required by law to be made, a receipt issued by the applicable taxation or other authority evidencing that such deduction or withholding has been made.

### 3.5 GST

- (a) Unless the context requires otherwise, words and phrases in this clause that have a specific meaning in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) will have the same meaning in this clause.

- (b) If a party is a member of a GST group, references to GST which the party must pay and to input tax credits to which the party is entitled include GST which the representative member of the GST group must pay and input tax credits to which the representative member is entitled.
- (c) Unless otherwise stated, all amounts expressed to be payable under or in connection with this agreement are exclusive of any GST.
- (d) A recipient of a taxable supply under or in connection with this agreement must pay to the supplier, in addition to the consideration for the taxable supply, an amount equal to any GST paid or payable by the supplier in respect of the taxable supply (the "**GST Amount**"). The recipient must make that payment to the supplier as and when the consideration or part of it is provided, except that the recipient need not pay unless the recipient has received a tax invoice (or an adjustment note) for that taxable supply.
- (e) If an adjustment event occurs in relation to a supply made under or in connection with this agreement, the GST Amount will be recalculated to reflect that adjustment and an appropriate payment will be made between the parties.
- (f) Where a supplier incurs a cost or expense for which it may be reimbursed by, indemnified against, claim against or set-off against another party under this agreement, the amount to be paid or credited is the cost or expense (reduced by the input tax credit that the supplier is entitled to claim in respect of that cost or expense) plus any GST Amount payable under this clause 3.5.
- (g) If a payment under an indemnity gives rise to a liability to pay GST, the payer must pay, and indemnify the payee against, the amount of that GST.
- (h) If a party has a Claim under or in connection with this agreement whose amount depends on actual or estimated revenue or which is for a loss of revenue, revenue must be calculated without including any amount received or receivable as reimbursement for GST (whether that amount is separate or included as part of a larger amount).
- (i) This clause 3.5 will not merge upon completion and will continue to apply after expiration or termination of this agreement.

### 3.6 Disputed invoices

- (a) In the event of any dispute concerning an invoiced amount the Customer will, within 10 Business Days after the date it received the invoice, notify Transgrid in writing identifying the amount in dispute and giving full reasons for the dispute.
- (b) The Customer will pay the full amount of any portion of the invoice which is not in dispute.
- (c) Transgrid and the Customer will meet to try to resolve the dispute, and failing resolution within a further 10 Business Days, the dispute will be determined in accordance with clause 14.
- (d) If, and for so long as, the Customer complies in good faith with the provisions of this clause 3, it will not, for that reason alone be in breach of its obligations under clause 3.2 as a result of failing to pay any portion of an invoice which is in dispute.

### 3.7 Interest on disputed amount

Where, as a result of the determination of a dispute of the nature referred to in clause 3.6, Transgrid or the Customer has to pay money to the other then, in addition to such payment, interest will be payable thereon from the date the disputed invoice was due until the date the paying party actually pays the other party the relevant amount at a rate equal to the Interest Rate calculated on a daily basis with payment of such interest due on the date agreed between Transgrid and the Customer or determined in accordance with clause 14 for the payment of the principal amount.

### 3.8 Adjustment of invoices

- (a) This clause 3.8 applies if:
  - (i) the Customer has been overcharged or undercharged in any form whatsoever;
  - (ii) the Customer has actually paid the invoices containing such overcharge or undercharge; and
  - (iii) the overcharge or undercharge is in relation to an invoice dated within the preceding 12 months from the date of discovery of the overcharge or undercharge.
- (b) Within 20 Business Days after the overcharge or undercharge (as the case may be) has been discovered and the amount of the overcharge or undercharge has been agreed by Transgrid and the Customer or determined pursuant to the provisions of clause 14, Transgrid will refund to the Customer the amount of the overcharge (if any) and the Customer will pay to Transgrid the amount of the undercharge (if any).
- (c) Interest will be payable at a rate equal to the Interest Rate on such amounts from the date on which the incorrect invoice was due for payment until the date of payment of such undercharge or overcharge calculated on a daily basis with payment of such interest due on the date on which the amount of the undercharge or overcharge is due.

### 3.9 Default interest

- (a) If either party fails to pay any amount payable under this agreement on the due date for payment (or, where the amount is upon demand, upon such demand being made) then interest will be payable on the amount unpaid from the due date for payment until actual payment, at a rate equal to the Default Rate, calculated on a daily basis. This clause 3.9 does not apply to any amount that is permitted to be withheld under clause 3.6.
- (b) Interest payable under clause 3.9(a) which is not paid when due for payment may be added to the overdue amount at the end of each month. Interest is payable on the increased overdue amount at the Default Rate calculated on a daily basis.

### 3.10 Credit support

The Customer must procure that Transgrid is provided with Credit Support in favour of Transgrid in accordance with Schedule 1 and otherwise comply with the requirements in Schedule 1.

### 3.11 Land outgoings

The Customer must pay to Transgrid any charges, rates, taxes, levies, fees, duties or other outgoings which are directly or indirectly payable with respect to the Easements and that part of the Land required in respect of the Assets.

## 4. CUSTOMER OBLIGATIONS IN RELATION TO THE SERVICES

### 4.1 Protection and control systems

- (a) The Customer must provide the protection, control and alarm equipment specified in paragraph 4 of Part A and/or Part D of the Connection Agreement Data Book (the "**Customer's Protection, Control and Alarm Equipment**") and must, from time to time, use its reasonable endeavours to agree on parameter settings and testing intervals for that equipment with Transgrid.
- (b) The Customer must maintain the Customer's Protection, Control and Alarm Equipment so that it continues to operate at the parameter settings agreed under clause 4.1(a) or determined in accordance with clause 4.1(c).

- (c) In the event that Transgrid and the Customer are unable to agree on parameter settings for the Customer's Protection, Control and Alarm Equipment under clause 4.1(a), the matter will be resolved in accordance with clause 14.
- (d) The Customer undertakes to notify Transgrid of any alteration, modification, addition or change to the Customer's Facilities which the Customer knows or which the Customer reasonably could have determined would have materially affected the parameter settings for the Transgrid's Protection, Control and Alarm Equipment or the Customer's Protection, Control and Alarm Equipment.
- (e) The Customer indemnifies Transgrid against any Damages suffered by Transgrid in connection with any Claims made or brought by any person arising from or related to any circumstance where the parameter settings of the Transgrid's Protection, Control and Alarm Equipment or the Customer's Protection, Control and Alarm Equipment were or may have been inappropriate as a result of a failure by the Customer to use, or procure the use of, due care and skill in providing information to be included in the Connection Agreement Data Book.

#### **4.2 Provision of equipment**

- (a) The Customer must provide the equipment described in paragraph Part A of the Connection Agreement Data Book.
- (b) The Customer must maintain equipment provided under clause 4.2(a) in accordance with the requirements of this agreement and all Applicable Laws and in a manner and to a standard consistent with *good electricity industry practice*.

#### **4.3 Compliance with Technical Obligations**

The Customer must comply with the obligations set out in Schedule 4 and Part E of the Connection Agreement Data Book.

#### **4.4 Signals, data and alarms**

The Customer must comply with the obligations set out in Part D of the Connection Agreement Data Book.

#### **4.5 Co-ordination of Outage Plan and maintenance activities**

The Customer must comply with Schedule 2.

#### **4.6 Metering**

The Customer must comply with Schedule 3.

#### **4.7 Compliance program**

- (a) The Customer must comply with any compliance program relating to the Customer's Facilities which is instituted from time to time under the Rules.
- (b) The Customer acknowledges and agrees that Transgrid will not be liable in respect of Transgrid agreeing to any compliance program relating to the Customer's Facilities, and the Customer hereby indemnifies Transgrid against any Damages suffered or Claims incurred by Transgrid as a result of, or in connection with, Transgrid agreeing to any compliance program in respect of the Customer's Facilities.

#### **4.8 Operation and control of Customer's Facilities**

- (a) The Customer must operate, control and maintain the Customer's Facilities:
  - (i) in accordance with the Customer's Technical Obligations, *good electricity industry practice*, the requirements of this agreement and all Applicable Laws; and
  - (ii) so as to protect and avoid damage to or any other adverse effect upon:

- A. Transgrid;
- B. the Transmission System and any other plant, equipment and property;
- C. any Other Transgrid Customers and/or any of the transmission services provided to them; and/or
- D. any other person *connected to* and/or any property belonging to a third person that is *connected to* the Transmission System,

which the Customer knows or ought reasonably to know could occur if it does not comply with clause 4.8(a)(i).

(b) Without limiting clause 4.8(a), the Customer will:

- (i) not operate the Customer's Facilities so that the Agreed Capability is exceeded for any Connection Point;
- (ii) not operate the Customer's Facilities so that the Maximum Permitted Demand for the Customer's Facilities is exceeded; and
- (iii) immediately notify Transgrid if the Customer becomes aware of any actual or probable threat of a breach of clause 4.8(a) or this clause 4.8(b).

#### 4.9 [Non-market ancillary services

(a) The Customer must provide the *non-market ancillary services* set out in Schedule 6.

(b) The Customer acknowledges that:

- (i) it will comply with any *minimum technical ancillary service standards* linked to the technical requirements of schedule 5.1 of the Rules and any *applicable regulatory instruments* in relation to *non-market ancillary services*; and
- (ii) Transgrid may advise AEMO of the *non-market ancillary services*, or similar services, which are to be provided by the Customer under this agreement.]

*[Drafting note: Clause 4.9 to be included if the Customer will be providing non-market ancillary services.]*

#### 4.10 Cyber security

(a) The Customer:

- (i) permits Transgrid to install any operational and physical cyber security measures in the Customer's Facilities and to test, inspect, maintain, repair and replace those measures; and
- (ii) must comply with all other cyber security requirements of Transgrid as are notified by Transgrid from time to time,

to the extent those measures and requirements are necessary for Transgrid to ensure compliance with the conditions of its transmission operator's licence under the ESA and other Applicable Laws.

(b) The Customer shall, in response to Transgrid requests at any time, provide Transgrid with any information, documents and assistance that Transgrid requires in order to comply with, and within a time sufficient for Transgrid to comply with, the conditions of its transmission operator's licence under the ESA and other Applicable Laws, including the *Security of Critical Infrastructure Act 2018* (Cth), the *Privacy Act 1998* (Cth) and the *Privacy and Personal Information Protection Act 1998* (NSW).

(c) The Customer grants Transgrid a right of access to and over the Customer's Property in accordance with clause 7.1 for the purposes of Transgrid exercising its rights under

clause 4.10(a)(i) or inspecting the Customer's compliance with clause 4.10(a)(ii). In exercising its right of access under this clause 4.10(c), Transgrid must:

- (i) comply with all Applicable Laws;
- (ii) comply with all reasonable directions of the Customer; and
- (iii) not unreasonably disrupt the operation of, or cause damage to, the Customer's Facilities or Customer's Property.

(d) If the Customer does not immediately take such steps as are required under clause 4.10(a)(ii) then (without limiting any of its other rights) Transgrid may, upon notice to the Customer, take such steps at the Customer's cost as are necessary to ensure compliance with its transmission operator's licence under the ESA. Transgrid will invoice the Customer for such costs and the Customer must pay such costs in accordance with clause 3. For this purpose, the Customer must provide Transgrid with unhindered access to the Customer's Property to the extent required to take such steps.

#### 4.11 Technical Standards

The Customer must ensure that, at the time that they are installed on Transgrid's Property (if applicable) and at the time they are *connected* to the Transmission System, the Customer's Facilities comply with Transgrid's technical standards for *facilities* and *plant* that may be directly connected to the Transmission System.

### 5. CONNECTION AGREEMENT DATA BOOK

#### 5.1 Connection Agreement Data Book

- (a) The Connection Agreement Data Book as at the Execution Date is set out at Attachment 2 and forms part of this agreement.
- (b) Transgrid and the Customer will update the information set out in the Connection Agreement Data Book upon completion of the Connection Work in accordance with clause [3] of the Project Agreement.

#### 5.2 Connection Agreement Data Book Review

- (a) The parties will review the Connection Agreement Data Book:
  - (i) within 20 Business Days after the Services Commencement Date;
  - (ii) on or within a reasonable time after each anniversary of the Services Commencement Date; and
  - (iii) at any other time after the Services Commencement Date, if an amendment of the Connection Agreement Data Book becomes required due to a change in circumstances occurring after the Services Commencement Date or to correct an error.
- (b) If, further to any of the reviews referred to in clause 5.2(a)(ii), a party (the "**first party**") wants to propose an amendment to the Connection Agreement Data Book, it must give at least 20 Business Days' notice to the other parties (the "**other parties**") proposing a date, time and place for a meeting to discuss the review of the Connection Agreement Data Book.
- (c) The first party's notice must include a list of any amendments that the first party wishes to propose to the Connection Agreement Data Book, which may include but is not limited to the following:
  - (i) the Customer proposes to add, remove or modify a Connection Point;
  - (ii) Transgrid proposes to change the Connection Assets or the Customer proposes to change the Customer's Facilities specified in the Connection Agreement Data Book;

- (iii) Transgrid proposes a change to a fault level or Voltage Range applying at a Connection Point;
- (iv) a party proposes a change to the connection data specified in a Connection Agreement Data Book; or
- (v) a change in the Rules occurs that a party considers requires an amendment to the Technical Obligations specified in a Connection Agreement Data Book.

(d) The other parties must respond to the first party's notice within 10 Business Days either:

- (i) accepting the first party's proposed amendments to the Connection Agreement Data Book; or
- (ii) accepting the first party's proposed meeting details and providing a list of any amendments that it wishes to propose to the Connection Agreement Data Book.

(e) If necessary, the parties must meet to discuss the proposed amendments to the Connection Agreement Data Book and any other matters that any party wishes to raise related to the Connection Agreement Data Book. The parties must negotiate in good faith in relation to those matters.

(f) If the parties agree that any amendments should be made to the Connection Agreement Data Book under this clause 5.2, they will prepare an amended version of the Connection Agreement Data Book. An authorised representative of each party will agree in writing to adopt that amended version which will give effect to the amendment.

(g) Notwithstanding clauses 5.2(f) and 5.4(b), a party to this agreement may amend their notice details specified in Part F of the Connection Agreement Data Book at any time by giving written notice to the other parties. The change to the details will take effect 3 Business Days after notice is given.

(h) If the parties are unable to agree on any proposed amendments to the Connection Agreement Data Book under this clause within 28 days after commencing discussions, no amendment will be made unless and until it has been resolved in accordance with clause 14 and provided the amendments are required to enable a party to comply with Applicable Laws or *good electricity industry practice*.

### 5.3 Connection Agreement Data Book changes for changes in Applicable Laws

- (a) Without limiting clause 5.2, if the Rules or any other Applicable Law requires any additional Technical Obligations to be documented under this agreement, the parties agree to use reasonable endeavours to agree relevant amendments to the Connection Agreement Data Book.
- (b) If the parties agree that any amendments should be made to the Connection Agreement Data Book under this clause 5.3, they will prepare an amended version of the Connection Agreement Data Book. An authorised representative of each party will agree in writing to adopt that amended version which will give effect to the amendment.
- (c) If the parties are unable to agree on any proposed amendments to the Connection Agreement Data Book under this clause within 28 days after commencing negotiations, no amendment will be made unless and until it has been resolved in accordance with clause 14 and the amendments are required:
  - (i) to enable a party to comply with Applicable Laws or *good electricity industry practice*; or
  - (ii) by Transgrid as required for the maintenance and operation of the Transmission System and provided the amendments do not require the Customer to incur material additional costs in making changes to the Customer's Facilities (including software).

#### 5.4 Status of amendments

- (a) The Connection Agreement Data Book, as amended from time to time in accordance with this clause 5, forms part of this agreement.
- (b) Subject to clauses 5.2(f), 5.2(g) and 5.3(b), no amendment to the Connection Agreement Data Book will be effective unless an authorised representative of each party agrees in writing to the amendment.
- (c) The parties must provide any information marked on the Execution Date as "TBA" in the Connection Agreement Data Book within 20 Business Days after the Services Commencement Date or such later date as is agreed between the parties in writing.

### 6. SWITCHING

#### 6.1 Operating Protocol

- (a) The draft Operating Protocol as at the Execution Date is set out at Attachment 3 and forms part of this agreement.
- (b) Transgrid and the Customer will update the information set out in the Operating Protocol upon completion of the Connection Work.
- (c) The parties must comply with the Operating Protocol for the day to day operations of the Customer's Facilities and the *transmission network* relating to each Connection Point.
- (d) The parties will agree to amend the Operating Protocol as required from time to time.
- (e) If the parties are unable to reach agreement under clause 6.1(b) or clause 6.1(d), then the parties will be taken to be in dispute about the terms of the Operating Protocol and any party may seek to have the matter resolved as a dispute in accordance with clause 14.

#### 6.2 Switching for planned works

Subject to clause 6.3, each party will use its reasonable endeavours to perform any Switching in relation to its equipment reasonably requested by another party to allow planned works by that party to be carried out. Any request for Switching that a party wishes to be carried out on another party's *facilities* must be made by notice in writing in accordance with the switching procedures set out in the Operating Protocol including complying with all applicable notice periods required for Switching.

#### 6.3 Switching for emergency conditions

A party may request another party to carry out Switching in relation to its equipment and provide less than the notice specified under clause 6.2 if that party reasonably considers that such Switching needs to be carried out as a matter of urgency to avoid a serious risk of damage to property or to avoid any risk of injury or death to any person. Each party will use its reasonable endeavours to comply with such a request and to have operating staff available to ensure minimal delay in performing Switching in such circumstances.

#### 6.4 Manual Reclosure

- (a) The Customer acknowledges that Transgrid will only carry out Manual Reclosure of:
  - (i) the Customer's overhead or underground *transmission lines connected* to a Connection Point;
  - (ii) the Customer's overhead or underground *distribution lines connected* to a Connection Point; or
  - (iii) any other part of the Customer's Facilities *connected* to a Connection Point,  
if expressly requested to do so by the Customer.

- (b) The Customer acknowledges and agrees that Transgrid is not liable for any Damages suffered or Claims incurred by the Customer as a result of Transgrid carrying out Manual Reclosure.
- (c) The Customer indemnifies Transgrid against any Damages suffered or Claims incurred by Transgrid as a result of Transgrid carrying out Manual Reclosure in accordance with the Customer's request, except to the extent that at the time Transgrid carried out such Manual Reclosure, Transgrid's *transmission network* was not operating in accordance with this agreement and in a manner which would have enabled the Manual Reclosure to be carried out.

## 6.5 No liability for Switching

A party (the "**switching party**") will have no liability to the other party (the "**requesting party**") in respect of any Switching carried out by the switching party in accordance with a request made by the requesting party under clauses 6.2 or 6.3 and the requesting party indemnifies the switching party against any Damages suffered by the switching party in connection with any Claim made or brought by any third party arising from or relating to such Switching carried out in accordance with such a request provided that:

- (a) if Transgrid is the switching party, Transgrid's *transmission network* was, at the time the switching was carried out, operating in accordance with this agreement and in a manner which would have enabled the Switching to be carried out; and
- (b) if the Customer is the switching party, the Customer's Facilities were, at the time the switching was carried out, operating in accordance with this agreement and in a manner which would have enabled the Switching to be carried out.

## 7. SITE ACCESS, INSPECTION AND TESTING

### 7.1 Transgrid's site access

If any of Transgrid's Equipment is to be located or is located on the Customer's Property, or any Services are to be performed on or in the vicinity of the Customer's Property, Transgrid and its Associates will have:

- (a) **Right of access:** a right of access to and over the Customer's Property (such right to be exercised reasonably) for the purpose of installing, testing, inspecting, maintaining, reading, repairing, replacing, operating or removing any of Transgrid's Equipment and for any other related purpose; and
- (b) **Right to use amenities:** a right to use (at its own expense or on the condition that it reimburses the Customer for expenditure incurred (if and as may be appropriate in any particular case)) amenities available to the Customer which are associated with, or are ordinarily used in association with, any of Transgrid's Equipment (such right to be exercised reasonably),

provided that such rights of access or use may not be exercised in a manner which prevents the Customer from performing its obligations under this agreement or Applicable Laws. In exercising the rights of access and use under this clause 7.1, Transgrid must comply with any reasonable procedures specified from time to time by the Customer. The Customer must ensure that any of Transgrid's Equipment located on the Customer's Property is not the subject of any Security Interest created or permitted by it other than a Security Interest which arises solely by reason of the PPSA or is registered in favour of Transgrid or its financiers.

### 7.2 Customer's site access

If any of the Customer's Facilities are to be located or are located on Transgrid's Property for the proper performance of this agreement, the Customer and its Associates will have:

- (a) **Right of access:** a right of access to and over Transgrid's Property (such right to be exercised reasonably) for the purpose of installing, testing, inspecting, maintaining, reading, repairing,

replacing, operating or removing any of the Customer's Facilities and for any other related purpose; and

(b) **Right to use amenities:** a right to use (at its own expense or on the condition that it reimburses Transgrid for expenditure incurred (if and as may be appropriate in any particular case)) amenities available to Transgrid which are associated with, or are ordinarily used in association with, any of the Customer's Facilities (such right to be exercised reasonably),

provided that such rights of access or use may not be exercised in a manner which prevents Transgrid from performing its obligations under this agreement or Applicable Laws. In exercising the rights of access or use under this clause 7.2, the Customer must comply with any reasonable procedures specified from time to time by Transgrid, which may include supervision of the Customer's staff by Transgrid's staff at the Customer's cost, and any reasonable requirements imposed by a third-party lessor or licensor (who is not an Associate of Transgrid) under leases or licences over Transgrid's Property. Transgrid must ensure that any of the Customer's Facilities located on Transgrid's Property are not the subject of any Security Interest created or permitted by it other than a Security Interest which arises solely by reason of the PPSA or is registered in favour of Customer or its financiers.

### 7.3 Provisions applying to site access

The right of access conferred by clauses 7.1 and 7.2 (as applicable) will, where or when appropriate, be subject to the following:

- (a) **Notice:** where reasonably practicable to do so, the party seeking access will give the other party reasonable notice that it will be exercising its right of access and the purpose for access; and
- (b) **Inconvenience and safety rules:** the party seeking access will cause as little inconvenience to the other party as is practicable and will observe the other party's recognised safe working practices (to the extent they are applicable) at all times,

and will be in addition to any right of access a party may otherwise have under Applicable Laws and any Licences or Easements.

### 7.4 Each party's access to Third Party Property

If any of Transgrid's Equipment is, or the Customer's Facilities are, to be located or is located on Third Party Property (or if any Services are to be performed on or in the vicinity of Third Party Property) leased, occupied or used by another party (such party called the "**occupier**") and a party requires access or will require access to it for the proper performance of this agreement (such party called the "**party requiring access**"), the occupier must use its reasonable endeavours to secure a right of access that is capable of being exercised by the party requiring access so as to permit the non-occupying party requiring access to properly perform this agreement. The party requiring access must comply with any reasonable requirements imposed by the party or parties controlling access to the Third Party Property as a condition of allowing such access.

### 7.5 Access for Metering Provider

- (a) To the extent that any Metering Equipment is located on the Customer's Property, the Customer agrees that the relevant *Metering Provider* will have:
  - (i) **Right of access:** a right of access to and over the Customer's Property for the purpose of installing, testing, inspecting, maintaining, reading, repairing, replacing, operating or removing any metering equipment and for any other related purpose; and
  - (ii) **Right to use amenities:** a right to use amenities available to the Customer which are associated with, or ordinarily used in association with, any metering equipment,

and any such metering equipment will be deemed to be Transgrid's Equipment for the purposes of this clause 7.5(a) and Transgrid may, on the *Metering Provider's* behalf, enforce the *Metering Provider's* rights under this clause 7.5(a).

(b) To the extent that any Metering Equipment is located on Transgrid's Property and provided it does not prevent Transgrid from performing its obligations or exercise its rights under this agreement, Transgrid agrees that the relevant *Metering Provider* will have:

- (i) **Right of access:** a right of access to and over Transgrid's Property for the purpose of installing, testing, inspecting, maintaining, reading, repairing, replacing, operating or removing any metering equipment and for any other related purpose; and
- (ii) **Right to use amenities:** a right to use amenities available to Transgrid which are associated with, or ordinarily used in association with, any metering equipment,

and any such metering equipment will be deemed to be Customer's Facilities for the purposes of this clause 7.5(b) and the Customer may enforce the *Metering Provider's* rights under this clause 7.5(b).

## 7.6 Rights survive expiry or termination

Without limiting Transgrid's ongoing rights under any Easements or Licences, the provisions of this clause 7 will remain in effect for a period of 24 months after the termination of this agreement but only for the purpose of enabling Transgrid to disconnect the Customer's Facilities and remove Transgrid's Equipment or Transgrid's Property from the Land and the Easements, or a party to remove any plant or equipment installed, or provided, by it on property belonging to another party or to a third party.

# 8. INFORMATION, RECORDS AND AUDITS

## 8.1 Connection data

- (a) Each party will provide the *connection* data specified in Part D of the Connection Agreement Data Book and any data required to be provided in accordance with the Rules.
- (b) Each party will regularly review the data provided under Part D of the Connection Agreement Data Book. If a party reasonably considers that any information provided under Part D of the Connection Agreement Data Book should be amended, that party must give notice to the other parties in accordance with clause 5.2, setting out the amendment it considers to be necessary.

## 8.2 Information and data exchange

The parties will exchange data and information as specified in Part D of the Connection Agreement Data Book.

## 8.3 Controlled Records

- (a) Each party must produce and maintain the Controlled Records for which it is responsible in accordance with this clause 8.3. The Controlled Records must contain the information reasonably specified by Transgrid in writing from time to time.
- (b) Each party must ensure that:
  - (i) it holds a complete and up to date copy of the Controlled Records for which it is responsible; and
  - (ii) the information contained in the Controlled Records is kept up to date and accurate.
- (c) Each party must maintain a register of the Controlled Records which details:
  - (i) all of the Controlled Records for which it is responsible;

- (ii) the nature of any amendments made to those Controlled Records pursuant to clause 8.3(b); and
- (iii) the date on which any amendments made to those Controlled Records came into effect.

(d) Each party (the "**first party**") must promptly on written request provide each other party with:

- (i) a copy of the Controlled Records for which the first party is responsible;
- (ii) a copy of the register referred to in clause 8.3(c); and
- (iii) prior to the date on which any amendment it makes to any Controlled Records for which it is responsible comes into effect, a copy of the amendment to be made together with a notice specifying the parts of the Controlled Records which are to be amended.

#### **8.4 Right to audit**

A party (the "**auditing party**") will have the right to audit any Auditable Records held by another party (the "**non-auditing parties**") for the purposes of confirming the non-auditing party's compliance with this agreement and Applicable Laws, provided that a party may only audit Auditable Records held by a non-auditing party twice in any twelve month period irrespective of whether the audits relate to the same Auditable Records or not.

#### **8.5 Audit notice**

The auditing party must give at least 5 Business Days' notice to a non-auditing party of its desire to carry out an audit, which notice must include the following information:

- (a) the Auditable Records which the auditing party wishes to audit;
- (b) the name of the officers, employees and/or their representatives appointed by the auditing party to conduct the audit; and
- (c) the time or times at which the auditing party would prefer the audit to commence.

#### **8.6 Timing of audit**

If the auditing party gives notice under clause 8.5 then a non-auditing party must not unreasonably withhold its consent to the time proposed in the notice given by the auditing party. If the parties are unable to agree on the timing of an audit within 5 Business Days after the auditing party giving notice under clause 8.5 then the matter will be resolved in accordance with clause 14.

#### **8.7 Location of audit**

An audit conducted under clause 8.4 will take place at the place where the Auditable Records are located or such other place as the relevant parties agree. A non-auditing party must not unreasonably withhold its consent to any request made by the auditing party that the audit take place at a particular location.

#### **8.8 Conduct of audit**

A non-auditing party must give the auditing party or its officers, employees or representatives specified in the notice requesting an audit access to the Auditable Records which were the subject of the audit request at the location at which the relevant records are located or such other location agreed with the auditing party in accordance with clause 8.7 and at the time agreed with the auditing party or the time determined under clauses 8.6 or clause 14. A non-auditing party must give reasonable assistance to the auditing party in carrying out the audit. In carrying out an audit, the auditing party may make notes from the Auditable Records but may not make copies of them.

## 9. SUSPENSION OF SERVICES

### 9.1 Right to suspend

- (a) If the Customer does not pay any part of an invoice rendered by Transgrid on or before the day on which such invoice is due for payment under clause 3.2 or has failed to make any other payment required under this agreement on or before the date on which such payment is due or otherwise commits a Financial Default then, unless the Customer has given a notice under clause 3.6(a) in respect of that amount and has otherwise complied with its obligations under clause 3.6, Transgrid, by notice to the Customer, may suspend or limit the provision of the Services to the Customer until such time as payment is made.
- (b) Subject to clauses 9.1(c) and 10.1, Transgrid may suspend or limit the provision of the Services to the Customer if the Customer commits a Non-Financial Default and the Customer has not
  - (i) provided to Transgrid a plan to rectify the Non-Financial Default within 10 Business Days after Transgrid notifying the Customer of the existence of the Non-Financial Default, which rectification plan must specify a reasonable date (taking into account the nature of the Non-Financial Default and the requirements of all Applicable Laws and *good electricity industry practice*) by which the Non-Financial Default will be remedied by the Customer;
  - (ii) commenced to remedy the Non-Financial Default within 10 Business Days after providing the rectification plan to Transgrid under clause 9.1(b)(i); or
  - (iii) remedied the Non-Financial Default by the date specified in the rectification plan provided to Transgrid under clause 9.1(b)(i).
- (c) Nothing in clause 9.1(b) will limit Transgrid's right (without notice to the Customer) to suspend or limit the provision of Services to the Customer if Transgrid considers:
  - (i) that the Non-Financial Default by the Customer could cause any risk of damage, loss or injury to any person or property; or
  - (ii) the suspension or limitation is required by Applicable Law or is in accordance with any Directive given under Applicable Laws or this agreement.
- (d) Any suspension or limitation of the provision of Services under clause 9.1(a), 9.1(b) or 9.1(c) will not affect any right Transgrid may have to terminate this agreement under clause 12.
- (e) The giving, or failure to give, by Transgrid of notice under clause 9.1(a) will not affect any right Transgrid may have to be paid interest under clause 3.9 as a result of the Customer's failure to pay any part of an invoice.

### 9.2 Customer required to comply

The suspension or limitation of the Services by Transgrid in accordance with clause 9.1 will not affect any obligation that the Customer has to pay Transgrid for Services notwithstanding that, as a result of the suspension or limitation, Transgrid has ceased to provide such Services to the Customer.

### 9.3 No liability

If at any time, Transgrid has the right to suspend or limit the provision of Services under clause 9.1 but has not exercised such right then, during any period when Transgrid is entitled to suspend or limit the provision of Services but continues to provide any such Services (the "**Continuation Period**"), Transgrid will have no liability to the Customer for any Damages suffered or Claims incurred in relation to:

- (a) the provision of the Services by Transgrid during the Continuation Period; or
- (b) any failure by Transgrid during the Continuation Period to comply with an obligation under this agreement relating to the provision of the Services.

## 10. DISCONNECTION AND DISMANTLING

### 10.1 Disconnection and reduction in Services

- (a) Transgrid may disconnect a Connection Point or otherwise reduce the level of Services being provided at a Connection Point during the Term:
  - (i) for the purposes of undertaking any Work in accordance with Schedule 2;
  - (ii) where, in Transgrid's opinion, action is urgently required as a result of any actual or potential Emergency;
  - (iii) as requested by the Customer;
  - (iv) upon termination of this agreement under clause 12;
  - (v) in accordance with any Directive given under Applicable Laws or this agreement; or
  - (vi) as otherwise provided or required (whether directly or indirectly) under Applicable Laws or this agreement.
- (b) If Transgrid disconnects a Connection Point or reduces the level of Services being provided at a Connection Point in accordance with clause 10.1(a) (an "**Event**"):
  - (i) Transgrid will use its reasonable endeavours to only reduce the level of Services being provided at the Connection Point to a level which Transgrid reasonably determines is necessary to enable it to manage that Event in accordance with the requirements of all Applicable Laws and in a manner and to a standard consistent with *good electricity industry practice*, provided that this obligation does not apply to an Event referred to in clause 10.1(a)(ii), 10.1(a)(iv), 10.1(a)(v), or 10.1(a)(vi);
  - (ii) after the circumstances giving rise to the Event have ceased or been rectified, Transgrid will use its reasonable endeavours to:
    - A. restore the provision of the Services at the Connection Point to the level that was being provided at that Connection Point immediately before the occurrence of the Event; or
    - B. re-establish the *connection* at the Connection Point or *energise* the Connection Point (as the case may be),provided that this obligation does not apply to an Event referred to in clause 10.1(a)(iv); and
  - (iii) where Transgrid has restored the provision of the Services or re-established the *connection* under clause 10.1(b)(ii), the Customer must pay the reasonable costs of the restoration or reconnection as determined by Transgrid.
- (c) The parties acknowledge that clause 10.1(b) does not limit Transgrid's obligations under clause 5.9.6 of the Rules to reconnect in the circumstances referred to in that clause.
- (d) The disconnection of the Connection Point under clause 10.1(a) or the reduction in the level of Services being provided at the Connection Point under that clause will not affect any obligation that the Customer has to pay Transgrid for the Services (except to the extent that the disconnection or reduction in the level of Services at the Connection Point by Transgrid in accordance with clause 10.1(a) arises as a result of a wilful breach by Transgrid of its obligations under this agreement).

### 10.2 Reduction in level or standard of the Services

- (a) If the Customer requires a permanent reduction in the level or standard of the Services, including a permanent disconnection of any Connection Assets from a Connection Point (the "**Altered Services**"), then Transgrid will:

- (i) be entitled to *disconnect*, dismantle, *decommission* and remove any of the Connection Assets which are no longer required to provide the Altered Services; and
- (ii) undertake, complete and commission all other work which Transgrid reasonably determines is necessary to allow the Transmission System to operate in accordance with *good electricity industry practice* and the other requirements of Applicable Laws following the removal of the Connection Assets referred to in clause 10.2(a)(i).

(b) In the case referred to in clause 10.2(a), the Customer will:

- (i) pay to Transgrid the portion of the Asset Stranding Charge (if any) in respect of such reduction determined in accordance with paragraph 6 of Schedule 5 and Schedule 7; and
- (ii) reimburse Transgrid for any costs which are directly and necessarily incurred by Transgrid in undertaking the work referred to in clause 10.2(a), upon receipt from Transgrid of reasonable evidence substantiating the amount of costs incurred.

## 11. FORCE MAJEURE

### 11.1 Force Majeure Events

- (a) If a party fails to comply with or observe any provision of this agreement (other than an obligation to make a payment) and that failure is caused by an event or circumstance which is beyond the reasonable control of that party and which that party could not have prevented by the exercise of reasonable care and *good electricity industry practice* (a **"Force Majeure Event"**), that failure will not give rise to any cause of action or liability based on breach of the relevant provision of this agreement.
- (b) Without limiting clause 11.1(a), the following events will be Force Majeure Events to the extent that they satisfy the requirements of clause 11.1(a):
  - (i) **Acts of God etc.:** any event or circumstance occasioned by or in consequence of any acts of God, acts of public enemy, wars, terrorism, blockades, insurrections, riots, rebellion, epidemics, pandemics (including COVID-19), landslips, landslides, lightning strike which damages plant or materials, earthquakes, fires, cyclones, floods, typhoons, geomagnetically induced currents, arrests, restraints of rulers and civil war;
  - (ii) **Applicable Laws:** the compliance by the affected party in good faith with Applicable Laws which are varied or introduced after the Execution Date;
  - (iii) **Directives, court orders etc.:** the binding order or Directive of any court, tribunal or Authority (other than Transgrid) by reason of any cause beyond the control of the party invoking this clause 11.1 and which does not arise from a breach of this agreement by the party invoking this clause 11.1;
  - (iv) **Strikes and lockouts:** strikes, lockouts and other labour disputes other than those solely involving the employees (or employees of contractors and sub-contractors) of the party invoking this clause 11.1;
  - (v) **Power supply failure:** a partial or entire failure of the supply or availability of electricity to the power system, a partial or entire failure of any *Network User*, other than the Customer, to inject electricity into the national grid, or a partial or entire failure of any other person to take electricity;
  - (vi) **Failure or delay of supplier:** a failure or delay by a supplier (being a party with whom the affected party contracts from time to time) of goods or services to provide such goods or services and that failure or delay was caused by a Force Majeure Event (provided that, for the purposes of this clause 11.1(b)(vi), a reference to a 'party' in the definition of Force

Majeure Event in clause 11.1(a) is to be construed as a reference to the relevant supplier); and

(vii) **Acts of third parties:** acts or omissions by a third party beyond the control of the party invoking this clause 11.1 and its Associates, including an Authority (other than Transgrid) and any Other Transgrid Customer.

## 11.2 Notice

If a party becomes aware of the existence of, or a serious prospect of, a forthcoming Force Majeure Event, it will notify the other parties as soon as reasonably practicable of the particulars of which it is aware. If a party invokes clause 11.1, it will notify the other parties as soon as reasonably practicable of full particulars of the Force Majeure Event relied upon.

## 11.3 Avoidance and mitigation

The party invoking clause 11.1 must:

- (a) use all reasonable endeavours to overcome or avoid the Force Majeure Event;
- (b) use all reasonable endeavours to mitigate the effects or consequences of the Force Majeure Event;
- (c) consult with the other parties on the performance of the obligations referred to in clauses 11.3(a) and 11.3(b); and
- (d) as soon as is reasonably practicable after the abatement or cessation of the Force Majeure Event, resume performance of its affected obligations under this agreement to the extent such abatement or cessation permits.

However, nothing in this clause 11.3 will be construed as requiring the party invoking clause 11.1 to settle a strike, lock-out or other industrial disturbance by acceding against its judgement to the demands of opposing parties.

## 11.4 Termination on account of Force Majeure Event

- (a) Subject to clause 11.4(c), if the Force Majeure Event or its direct effect or consequence on the operations of a party is of such magnitude, or will be of such duration, that after a period of not less than 12 consecutive months from the date of the commencement of the Force Majeure Event, it is unreasonable in all the circumstances for any party to perform, comply with or observe this agreement, that party may, by serving no less than 10 Business Days' prior notice, terminate this agreement.
- (b) Without limiting clause 11.4(a), if a Force Majeure Event has the effect of reducing the Capacity of Transgrid's *transmission network* to deliver power at any Connection Point for a period of more than 6 consecutive months from the date of the commencement of that Force Majeure Event, the Customer may, by serving no less than 10 Business Days' prior notice, terminate this agreement.
- (c) Clause 11.4(a) will not apply to a Force Majeure Event which prevents or limits a party from performing any obligation under this agreement if the Customer:
  - (i) notifies Transgrid that it does not want this agreement to terminate as a result of that Force Majeure Event; and
  - (ii) continues to pay the Charges and (where relevant) complies with its other obligations under this agreement.

## 11.5 Customer required to comply

Nothing in this clause 11 affects any obligation that the Customer has to pay Transgrid for Services notwithstanding that, as a result of a Force Majeure Event, Transgrid is delayed in providing, or fails to provide, such Services to the Customer.

## 12. TERM OF AGREEMENT

### 12.1 Term

Subject to clause 1.6(b), this agreement commences on the Commencement Date and will continue until the Expiry Date unless terminated earlier in accordance with clause 11.4 or this clause 12 (the "Term").

### 12.2 Default

(a) If a party (referred to in this clause 12 as the "**defaulting party**") commits:

- (i) a Financial Default, then the party not in default to whom payment is owed (referred to in this clause 12 as the "**non-defaulting party**") may give the defaulting party a notice specifying the Financial Default that has occurred and requiring the defaulting party to cure the Financial Default within 20 Business Days after receipt of that notice (the "**Financial Cure Period**"); or
- (ii) a Non-Financial Default, then the non-defaulting party (which, in the case of a Non-Financial Default by the Customer shall be Transgrid and, in the case of a Non-Financial Default by Transgrid, shall be the Customer) may give the defaulting party a notice specifying the Non-Financial Default that has occurred (a "**default notice**") and requiring the defaulting party to provide to the non-defaulting party a plan to rectify the Non-Financial Default that is to the reasonable satisfaction of the non-defaulting party (the "**rectification plan**").

(b) The rectification plan must be provided by the defaulting party to the non-defaulting party within 10 Business Days after receiving the default notice and must specify a reasonable date by which the Non-Financial Default will be remedied (the "**Non-Financial Cure Period**").

(c) The Non-Financial Cure Period must be the shortest period of time that could reasonably be expected to allow the defaulting party, acting diligently and in accordance with *good electricity industry practice*, sufficient time to:

- (i) remedy the relevant default; and
- (ii) demonstrate such remedy to the reasonable satisfaction of the non-defaulting party in accordance with tests (if any) set out in the rectification plan.

### 12.3 Failure to cure

(a) In the case of a Financial Default, if the defaulting party does not cure the relevant Financial Default within the Financial Cure Period in clause 12.2(a)(i), then the non-defaulting party may, in addition to any other rights and remedies under this agreement, exercise any or any combination of the following remedies:

- (i) terminate this agreement by written notice to the defaulting party; and
- (ii) exercise all available legal and equitable remedies including, suing for compensation or seeking orders for declaration, injunctive relief or damages or such other orders and relief as it may think fit.

(b) In curing the Financial Default within the Financial Cure Period, the non-defaulting party may set off any unpaid amount against any payments required to be made to the defaulting party under this agreement.

- (c) Without prejudice to any other rights of the non-defaulting party, the defaulting party must pay the non-defaulting party interest on the amount which is the subject of a Financial Default (plus any accrued interest compounding daily) at the Default Rate from the date when payment is due until the Financial Default is cured.
- (d) In the case of a Non-Financial Default, if the defaulting party does not:
  - (i) provide a rectification plan within the time required by clause 12.2(b);
  - (ii) provide a rectification plan that is to the reasonable satisfaction of the non-defaulting party;
  - (iii) commence to remedy the Non-Financial Default within 10 Business Days after providing the rectification plan to the non-defaulting party under clause 12.2(a)(ii); or
  - (iv) remedy the relevant Non-Financial Default within the Non-Financial Cure Period specified in clause 12.2(b),

then the non-defaulting party may, in addition to any other rights and remedies under this agreement exercise any or any combination of the following remedies:

- (v) terminate this agreement by serving prior written notice to the defaulting party; and
- (vi) exercise all available legal and equitable remedies, including suing for compensation or seeking orders for declaration, injunctive relief or damages or such other orders and relief as it may think fit.

#### **12.4 Termination notice**

A termination notice under clause 12.3, 12.5, 12.6 or 12.11 takes effect on the later of:

- (a) the time it is given to the defaulting party in accordance with clause 16; and
- (b) the time specified in the notice.

#### **12.5 Customer insolvency**

Transgrid may terminate this agreement at any time by giving the Customer notice of termination if any Insolvency Event occurs in respect of the Customer.

#### **12.6 Transgrid insolvency**

The Customer may terminate this agreement at any time by giving Transgrid notice of termination if any Insolvency Event occurs in respect of Transgrid.

#### **12.7 Obligation to notify of Insolvency Event**

If an Insolvency Event occurs with respect to a party, then that party must immediately notify each other party that the Insolvency Event has occurred.

#### **12.8 Survival**

Termination or expiration of all or part of this agreement for any reason does not affect:

- (a) any rights of any party against another party which:
  - (i) arose prior to the time at which such termination or expiration occurred; and
  - (ii) otherwise relate to, or may arise at any future time from, any breach or non-observance of obligations under this agreement occurring prior to the termination or expiration; or
- (b) the rights and obligations of the parties under clauses 1, 2.10, 3, 4.1(e), 6.5, 7, 9.3, 10, 12, 13, 14 15, 16, 18, 19, 23, paragraphs 5 and 6 of Schedule 1 and paragraph 6 of Schedule 5, and any other clauses that expressly or by implication are intended to survive termination or expiry of this agreement.

## 12.9 No other right to terminate

Except as expressly provided in this agreement, but despite any right which would otherwise be conferred at law or in equity, the parties have no right (and waive any right which they may otherwise have had) to rescind or terminate this agreement.

## 12.10 Consequences of termination or expiry

- (a) Upon termination or expiry of this agreement, Transgrid will:
  - (i) be entitled to *disconnect*, dismantle, *decommission* and remove any of the Connection Assets; and
  - (ii) undertake, complete and commission all other work which Transgrid reasonably determines is necessary to allow the Transmission System to operate in accordance with *good electricity industry practice* and the other requirements of Applicable Laws following the *disconnection*, dismantling, *decommissioning* or removal of the Connection Assets referred to in clause 12.10(a)(i).
- (b) If Transgrid commences to *disconnect*, dismantle, *decommission* and remove any of the Connection Assets in accordance with clause 12.10(a) during the 24-month period following the termination or expiry of this agreement:
  - (i) (other than where Transgrid is the defaulting party), the Customer must reimburse Transgrid for any costs which are directly and necessarily incurred by Transgrid in undertaking that work (upon receipt from Transgrid of reasonable evidence substantiating the amount of costs incurred) to the extent that those costs were not taken into account in calculating the amount of any Asset Stranding Charge paid by the Customer under clause 12.10(c); and
  - (ii) provided the Customer has transferred a property interest in the Connection Site to Transgrid in accordance with clause [26] of the Project Agreement, Transgrid will procure, at the Customer's sole expense, the transfer of the relevant property interest to the Connection Site to the Customer or its nominee for a nominal consideration as soon as reasonably practicable after completion of that work.
- (c) If this agreement is terminated before the Expiry Date (other than where this agreement is terminated due to Transgrid being the defaulting party or where this agreement is terminated due to the occurrence of an Insolvency Event in respect of Transgrid) the Customer must pay the Asset Stranding Charge to Transgrid in accordance with Schedule 5.
- (d) For the avoidance of doubt, if the Customer's obligation to pay the Asset Stranding Charge under clause 12.10(c) is unenforceable for any reason (including because the Asset Stranding Charge is deemed to be a penalty), Transgrid may claim general damages against the Customer for termination of the agreement, up to a maximum of the applicable Asset Stranding Charge which would have been payable under clause 12.10(c) had that clause been enforceable.

## 12.11 Cross-termination

- (a) Transgrid or the Customer may terminate this agreement with immediate effect by giving notice to the other party upon the termination of the Project Agreement on or before the Date of Practical Completion as defined in the Project Agreement, without prejudice to the provisions of:
  - (i) clauses [16.10] and [16.12] of the Project Agreement; and
  - (ii) clauses 12.8 and 12.10,which remain in full force and effect.

- (b) If this agreement terminates in accordance with clause 12.11(a) in circumstances where the Project Agreement was terminated due to default by, or an Insolvency Event affecting, a party, this agreement is deemed to have been terminated due to the relevant default of, or Insolvency Event affecting, that party.

## 13. LIABILITY

### 13.1 No liability for failure to supply

The Customer acknowledges that, except as expressly provided in this clause 13, the terms of this agreement do not represent a waiver by Transgrid of, nor an agreement to limit or exclude, any limitation of its liability under sections 119 or 120 of the NEL.

### 13.2 Limitation of Transgrid's liability

- (a) To the extent permitted by law, Transgrid and its Associates will not be liable to the Customer for any Damages or Claims arising from any act or omission by Transgrid or its Associates in relation to this agreement or the performance or non-performance of any of Transgrid's obligations under it, other than:
  - (i) **Direct loss or damage:** subject to clauses 13.2(b) and 13.5, the direct loss, injury, damage or expense of the Customer caused by Transgrid's failure to comply with, observe or perform any provision of this agreement;
  - (ii) **Indemnities:** subject to clauses 13.2(b) and 13.5, any obligation on Transgrid to indemnify the Customer in accordance with any provisions of this agreement; and
  - (iii) **Total amount of liability:** subject to clauses 13.2(b) and 13.9, in respect of such direct loss, injury, damage or expense to the Customer referred to in clause 13.2(a)(i) when aggregated with any liability of Transgrid arising from or in connection with any indemnity referred to in clause 13.2(a)(ii), to the Customer:
    - A. up to the amount of \$[•] in aggregate in respect of any single event or circumstance of failure described in clause 13.2(a)(i) or single event or circumstance giving rise to a liability from or in connection with an indemnity referred to in clause 13.2(a)(ii) (as applicable) occurring during the Term (and a series of acts or omissions arising out of or in connection with the same event or circumstance will be taken to be a single event or circumstance); and
    - B. notwithstanding clause 13.2(a)(iii)A, up to the amount of the Contract Year Cap in aggregate in respect of all events or circumstances of failure described in clause 13.2(a)(i) and all events or circumstances giving rise to a liability from or in connection with an indemnity referred to in clause 13.2(a)(ii) (as applicable) occurring in any one Contract Year; and
- (b) To the extent permitted by law and subject to clause 13.5:
  - (i) Transgrid and its Associates are not liable for any loss of use, revenue, profit or opportunity by the Customer or its Associates or the amount of any Damages awarded against the Customer in favour of, or monies paid by the Customer by way of settlement to, any third party and any costs or expenses of the Customer in connection with the same; and
  - (ii) for the avoidance of doubt, the limitation on Transgrid's and its Associates' liability as provided in this clause 13.2 will apply to any negligent act or omission, fault or cause by Transgrid and its Associates.

### 13.3 Limitation of Transgrid's liability in relation to any System Operations Function

To the extent permitted by law, Transgrid and its Associates will not be liable to the Customer for any Damages or Claims arising from any act or omission of Transgrid, whether or not in its capacity as a *System Operator*, and its Associates in relation to the performance, non-performance or purported performance of any System Operations Function.

### 13.4 Limitation of the Customer's liability

- (a) To the extent permitted by law, the Customer and its Associates will not be liable to Transgrid for any Damages or Claims arising from any act or omission by the Customer and its Associates in relation to this agreement or the performance or non-performance of any of the Customer's obligations under it, other than:
  - (i) **Payment of amounts:** any obligation on the Customer to pay the Charges under clause 3 and any other amounts (including the Asset Stranding Charge, any compensation under Schedule 8 and interest) due under this agreement;
  - (ii) **Indemnities:** any obligation on the Customer to indemnify Transgrid in accordance with any provision of this agreement;
  - (iii) **Direct loss or damage:** subject to clauses 13.4(b) and 13.5, the direct loss, injury, damage or expense of Transgrid caused by the Customer's failure to comply with, observe or perform any provision of this agreement; and
  - (iv) **Total amount of liability:** subject to clauses 13.4(b) and 13.9, in respect of such direct loss, injury, damage or expense of Transgrid referred to in clause 13.4(a)(iii) or indemnity referred to in clause 13.4(a)(ii), to Transgrid:
    - A. up to the amount of \$[•] in respect of any single event or circumstance of failure described in clause 13.4(a)(iii) or single event or circumstance giving rise to an indemnity referred to in clause 13.4(a)(ii) (as applicable) occurring during the Term (and a series of acts or omissions arising out of or in connection with the same event or circumstance will be taken to be a single event or circumstance); and
    - B. notwithstanding clause 13.4(a)(iv)A, up to the amount of the Contract Year Cap in respect of all events or circumstances of failure described in clause 13.4(a)(iii) and all events or circumstances giving rise to an indemnity referred to in clause 13.4(a)(ii) (as applicable) occurring in any one Contract Year; and
- (b) To the extent permitted by law and subject to clause 13.5:
  - (i) the Customer and its Associates are not liable for any loss of use, revenue, profit or opportunity by Transgrid or the amount of any Damages awarded against Transgrid in favour of, or monies paid by Transgrid by way of settlement to, any third party and any costs or expenses of Transgrid in connection with the same; and
  - (ii) for the avoidance of doubt, the limitation on the Customer's and its Associates' liability as provided in this clause 13.4 will apply to any negligent act or omission, fault or cause by the Customer and its Associates.

### 13.5 No liability for indirect loss

- (a) No party has any liability to another party, nor will a party be entitled to make any Claims, for any indirect loss.
- (b) For the purpose of this clause 13.5, "**indirect loss**" means:
  - (i) loss that does not arise directly or naturally from the relevant breach; and

- (ii) any loss of use, revenue, profit or opportunity or pure economic loss, whether or not they arise directly or naturally from the relevant breach.
- (c) The parties agree that the Customer's obligation to pay any charges due under this agreement, including:
  - (i) any Asset Stranding Charge; or
  - (ii) any compensation to Transgrid under Schedule 8,will not be treated as an indirect loss under this clause 13.5.

### 13.6 Part Contract Year

The limitation of each party's liability described in clauses 13.2(a)(iii) and 13.4(a)(iv) in any Contract Year is to apply for a whole Contract Year. Accordingly, the liability caps set out in clauses 13.2(a)(iii)A, 13.2(a)(iii)B, 13.4(a)(iv)A, and 13.4(a)(iv)B shall be pro-rated for any part Contract Years.

### 13.7 No implied terms

Subject to the *Competition and Consumer Act 2010* (Cth) and the express provisions of this agreement, all warranties, terms and conditions in relation to the performance of Transgrid's obligations or the exercise of Transgrid's rights under this agreement, which may be implied by use, statute or otherwise, are excluded (to the maximum extent permitted by law).

### 13.8 Related Company indemnity

- (a) The Customer will not appoint any Related Companies in relation to the Customer's Facilities (and will ensure that none of its Associates appoint any Related Companies in relation to the Customer's Facilities) without requiring those Related Companies to first enter into a deed with Transgrid in the form set out at Attachment 1.
- (b) If, despite clause 13.8(a), the Customer appoints a Related Company without first requiring the Related Company to enter into a deed of the type described in clause 13.8(a) with Transgrid, then the Customer hereby indemnifies and continues to indemnify Transgrid and its Associates from and against any Claims made against Transgrid and its Associates by a Related Company as a result of any act or omission by Transgrid and its Associates relating directly or indirectly to the provision of the Services or the operation and/or use of the Transmission System generally (including any Claims relating to the inability of a Related Company to participate in the spot market in relation to the Customer's Facilities as a result of any negligent act or omission by Transgrid and its Associates or any breach by Transgrid and its Associates of their obligations under this agreement) to the extent that the amount claimed by that Related Company would not have been recoverable from Transgrid if clause 13.8(a) had been complied with.

### 13.9 Exclusions

The limits of liability referred to in clauses 13.2(a)(iii) and 13.4(a)(iv) do not apply to, exempt, limit or restrict in any way the liability of a party in respect of:

- (a) any liability in respect of personal injury or death, to the extent caused by that party; and
- (b) any loss suffered or incurred by another party as a result of any criminal acts, wilful misconduct, wilful breach or fraud on the part of that party,

and any liability of the type or nature referred to in clauses 13.9(a) and 13.9(b) shall not be taken into account for the purposes of calculating whether the limits of liability referred to in clauses 13.2(a)(iii) and 13.4(a)(iv) have been reached or exceeded.

## 14. DISPUTES

### 14.1 Rule disputes

If a dispute arises between the parties under or in relation to this agreement which:

- (a) relates to the obligations of a party under the Rules;
- (b) relates to the interpretation of the Rules; or
- (c) is otherwise within the terms of clause 8.2.1(a) of the Rules,

then such disputes will be resolved in accordance with clause 8.2 of the Rules.

### 14.2 Other disputes

- (a) If a dispute arises between the parties under or in relation to this agreement which is not required in accordance with clause 14.1 to be resolved in accordance with clause 8.2 of the Rules, then a party in dispute may give the Senior Manager of the other parties to the dispute a notice specifying the matters in dispute (a "**notice of dispute**").
- (b) If after a period of 15 Business Days after the referral to the Senior Managers in accordance with clause 14.2(a), the Senior Managers have not been able to resolve the dispute then any party to the dispute may, by notice in writing to the others, require the dispute to be determined by an Expert. For the avoidance of doubt, this clause 14 is not a reference to arbitration.

### 14.3 Agreement to appoint Expert

- (a) If a dispute is to be determined by an Expert then the parties to the dispute must use their reasonable endeavours to agree to appoint a suitably qualified person to act as the Expert.
- (b) Each party to the dispute must equally bear the costs of the Expert and associated disbursements (including room hire) for the full duration of the Expert's appointment under this clause 14.
- (c) If the parties to the dispute have not agreed on the person to be appointed within 3 Business Days after a party requiring the dispute to be determined by an Expert then any party to the dispute may serve a notice nominating a person to be appointed.
- (d) If the parties to the dispute do not agree on the person to be appointed within 5 Business Days after the delivery of the notice, then:
  - (i) any party to the dispute may request the President of the Law Society of New South Wales, from time to time (or in the event that there is no office of such society of that name, the person who in substance carries out the role of that office) to appoint the Expert; and
  - (ii) the person appointed by the President of the Law Society of New South Wales, from time to time (or in the event that there is no office of such society of that name, the person who in substance carries out the role of that office) following the first request by a party to the dispute to make such appointment is the Expert for the purpose of determining the dispute.

### 14.4 Expert determination

If any matter must be determined by the Expert in accordance with this clause 14, then the parties to the dispute must continue to perform their obligations under the agreement while the dispute is being resolved.

### 14.5 Terms of appointment of Expert

The parties to the dispute must ensure that the Expert's terms of appointment include the following requirements:

- (a) the Expert must consult with the parties to the dispute concerning the matters under dispute;

- (b) the Expert must make a draft report available to the parties within 20 Business Days after their appointment;
- (c) the Expert must meet with representatives of the parties to the dispute to discuss any queries they may have in relation to the draft report;
- (d) the Expert must keep information provided by or on behalf of the parties to the Expert confidential;
- (e) the Expert may investigate the matters under dispute and make inquiries in relation to them, and take the advice of any other person the Expert wishes (subject to the other person providing a confidentiality undertaking); and
- (f) the Expert will use their reasonable endeavours to notify the parties of the Expert's determination within 35 Business Days after the referral to the Expert.

#### **14.6 Expert not liable**

The parties agree that the Expert will not be liable in contract, tort (including negligence) or otherwise for any Damages suffered or Claims incurred by a party or any other person as a consequence of any matter or thing done or omitted to be done by the Expert if the matter or thing was done or omitted in good faith for the purposes of carrying out the responsibilities of the Expert as contemplated by this clause 14. If required by an Expert appointed under this clause 14, the parties will enter into an agreement or deed with the Expert agreeing that this clause 14.6 applies and binds them in relation to the matters referred to the Expert.

#### **14.7 Parties to provide information**

The parties must comply with all reasonable requests by an Expert appointed in accordance with this clause 14 for information relating to the matters giving rise to their appointment.

#### **14.8 Parties bound by determination**

On notification by the Expert of the Expert's determination under clause 14.5(f), the parties are bound by that determination, except in the event of fraud or manifest error.

#### **14.9 Urgent interlocutory relief**

This clause 14 does not prevent any party from:

- (a) obtaining, from a court, any injunctive, declaratory or other interlocutory relief that may be urgently required; or
- (b) initiating any legal process immediately prior to the end of any period specified by a relevant law during which legal process or the bringing of an action must be initiated.

### **15. CONFIDENTIALITY**

#### **15.1 General obligation**

All information acquired or received by any one party (the **"receiving party"**) from another party (the **"disclosing party"**) in connection with this agreement, the fact of the existence of the information and the terms of this agreement will be held and kept confidential by the receiving party, will only be used by the receiving party for the purposes of implementing this agreement and the Project Agreement, complying with the receiving party's obligations under Applicable Laws or operating the Transmission System or the Customer's Facilities and must not be disclosed by the receiving party to any third party except with the prior consent of the disclosing party and upon such terms as may be stipulated by the disclosing party, provided that this clause 15.1 does not apply to:

- (a) **Assignee or novatee:** disclosure to or use by a bona fide intending assignee or novatee of the receiving party upon obtaining a similar undertaking of confidentiality from such intending assignee or novatee;
- (b) **Associates:** disclosure to any Associates, but only to the extent that such disclosure is necessary and provided that the receiving party has made the Associate aware of the confidential nature of the matters and information and the Associate has agreed to keep the matters and information confidential or is otherwise bound by confidentiality obligations to the disclosing party;
- (c) **Professional consultants:** disclosure to or use by any outside professional consultants upon obtaining a similar undertaking of confidentiality from such consultants (which may include professional obligations of confidentiality);
- (d) **Banks etc.:** disclosure to or use by any bank or financial institution from whom the receiving party is seeking to obtain finance or their professional advisers, upon obtaining a similar undertaking of confidentiality from such bank or institution or professional advisers;
- (e) **Under Applicable Laws:** disclosure of information that the receiving party bona fide believes is required to enable the receiving party to comply with obligations or exercise rights under Applicable Laws, including the Rules;
- (f) **Public domain:** disclosure or use of information that has become generally available to the public other than as a result of an unauthorised disclosure by a party or any of their Associates;
- (g) **Legal proceedings:** disclosure or use of information in any mediation, adjudication, arbitration, litigation or legal proceeding of any kind arising out of or in connection with this agreement or otherwise in compliance with the order of any Court of competent jurisdiction;
- (h) **Statutes and listing requirements:** disclosure of information that the receiving party bona fide believes is required either by any relevant law or the listing requirements of any recognised stock exchange;
- (i) **Employees:** disclosure of information by the receiving party or any person to whom the receiving party is permitted to disclose information, to an employee or officer of the receiving party or that person which require the information for the purposes of this agreement or for the purpose of advising the receiving party in relation to this agreement, and use of the information by that employee for that purpose, provided that the receiving party takes appropriate steps to ensure that such employees keep the information confidential;
- (j) **Safety:** disclosure of information if required to protect the safety of personnel or equipment;
- (k) **Financing, investment or disposal:** disclosure, use or reproduction of information by or on behalf of the receiving party to the extent reasonably required in connection with the receiving party's existing or proposed financing arrangements, an existing or proposed investment in that party or the actual or a proposed disposal of that party's assets, or the disposal or transfer of any issued shares in relation to that party or the issuance of any new shares in relation to that party, upon obtaining a similar contractual undertaking of confidentiality;
- (l) **Modelling:** disclosure, use or reproduction by Transgrid of data held by AEMO or a *Network Service Provider* for the purpose of modelling the operation of the *power system*, to the extent reasonably necessary to enable a *Connection Applicant* to develop an *application to connect*, but not including information provided in accordance with clauses S5.2.4(b)(3), S5.2.4(c) and S5.2.4(d) of the Rules;
- (m) **Compliance:** disclosure by Transgrid of a *performance standard* to a *Network Service Provider* for the purpose of establishing a compliance program, or if *connection* at that *performance standard*,

in AEMO's opinion, affects, or is likely to affect, the performance of that *Network Service Provider's* network;

- (n) **Other entities:** in the case of Transgrid, disclosure to or use by any owner or lessee of any assets comprising any part of the Transmission System; and
- (o) **Connection Application Process:** disclosure by Transgrid of the details of special protection schemes and other technical details that apply to the Customer's Facilities to other *Network Service Providers* and *Connection Applicants* for the purposes of the connection application process set out in Chapter 5 of the Rules where that disclosure is in accordance with *good electricity industry practice*.

## 15.2 Associates and other persons

Each party will be responsible for ensuring that:

- (a) its Associates who are at any time in possession of confidential information of a kind referred to in clause 15.1 will observe and comply with clause 15.1; and
- (b) any person who is not an Associate to whom it discloses confidential information under clause 15.1(a), 15.1(c), 15.1(d), 15.1(i) or 15.1(k) is aware of the confidential nature of the information and must ensure that such persons hold that information in confidence,

and will accordingly be responsible for the acts or omissions of such persons.

## 15.3 Compulsory disclosure

If any party to this agreement believes it is required either by any relevant law or the listing requirements of any recognised stock exchange to disclose confidential information of a kind referred to in clause 15.1, or otherwise intends to disclose confidential information pursuant to clause 15.1(e), 15.1(g), 15.1(h) or 15.1(j), to a third party, then, to the extent that it is legally able to do so, that party will give notice thereof as soon as is reasonably practicable to the relevant disclosing party (including details of the confidential information to be disclosed and the third party to whom it is to be disclosed).

# 16. COMMUNICATIONS AND NOTICES

## 16.1 Operational communications

- (a) Any operational communications given by or on behalf of a party may be by telephone or other instantaneous means of communication.
- (b) Operational communications are to be recorded in a manner satisfactory to the parties. The parties will ensure that logs are kept in which persons giving and receiving operational communications record brief details of their substance and timing.

## 16.2 Written notices

All notices, other than operational communications, under or in connection with this agreement must be in writing and must be:

- (a) delivered by hand to the street address of the addressee;
- (b) sent by express prepaid registered or certified post (airmail if posted to or from a place outside Australia) to the postal address of the addressee; or
- (c) sent by email to the email address of the addressee,

with a copy sent to any non-recipient party provided that the party issuing a notice is not required to provide a copy to a non-recipient party if the issuing party reasonably considers that such notice contains information that is confidential between the issuing party and the recipient party.

### 16.3 Addresses and emails

- (a) The addressee, street address, postal address, phone number, email address and contact for each party to which notices must be sent are as specified in Part F of the Connection Agreement Data Book.
- (b) A party may at any time by notice given to the other party, change its notice details specified in Part F of the Connection Agreement Data Book in accordance with clause 5.2.
- (c) The address of a party must always be an address within Australia.

### 16.4 Notice takes effect

A notice will be effective from the later of:

- (a) the time it is actually received or deemed to be received; or
- (b) any later time specified in the communication, provided it has actually been received prior to that time.

### 16.5 Deemed receipt

- (a) Other than operational communications, a notice delivered by hand to the address of a party will be deemed to have been received if it is handed (with or without acknowledgement of delivery) to any person at that address who, in the reasonable judgement of the person making the delivery (upon making appropriate enquiries), represents themselves and appears to be an officer of the party.
- (b) A notice sent by post will be deemed to have been received at the time when the letter containing it would have been delivered in the ordinary course of post.
- (c) Any communication sent by email will be deemed to have been received at the earlier of:
  - (i) when the addressee's email system logs the email message as having been received; or
  - (ii) when the email message enters the addressee's information system.
- (d) If a communication is received on a day which is not a Business Day or after 5:00pm local time where it is received on a Business Day, it is taken to be received on the next Business Day.

## 17. CHANGES TO APPLICABLE LAWS OR OTHER CIRCUMSTANCES

### 17.1 Amendments to this agreement

If, after the Execution Date, an Applicable Law:

- (a) is introduced or commences operation; or
- (b) is modified, re-enacted or substituted,

then subject to clauses 17.2 and 17.3, this agreement will be interpreted (as far as possible) in such a way as to enable compliance with that Applicable Law.

### 17.2 Negotiation

Despite clause 17.1, if at any time after the Execution Date:

- (a) an Applicable Law is introduced, modified, re-enacted, substituted or commences operation;
- (b) the manner in which an Applicable Law is interpreted or applied materially changes;
- (c) without limiting clauses 17.2(a) or 17.2(b), the manner in which an Applicable Law or any Authority regulates how any Charge is to be calculated, varied or applied (or the terms upon which any Services will be provided) materially changes;

- (d) without limiting clauses 17.2(a), 17.2(b) or 17.2(c), the activities comprised within or the service standards applying to any Service materially change due to a change in an Applicable Law; or
- (e) without limiting clauses 17.2(a), 17.2(b), 17.2(c) or 17.2(d), any other event, circumstance or change occurs which materially affects the way in which any of the Services are provided or a party operates its *facilities*, provided such event, circumstance or change is the result of a change in an Applicable Law,

and that change in circumstances or event will result in a material change in the commercial position of any party under this agreement, the parties must consider and negotiate in good faith any specific amendments to this agreement requested by a party to take account of that change, event or circumstance so as to substantially return the parties to their respective commercial positions under this agreement immediately prior to that change, event or circumstance.

### 17.3 Disputes

- (a) If the parties are unable to agree upon any amendment proposed by a party in accordance with clause 17.2 within 28 days after commencing negotiations, any party may refer that dispute for resolution in accordance with clause 14.
- (b) In determining a dispute arising under this clause 17, the Expert must take into account (amongst other things) the following factors:
  - (i) that the contents of this agreement must be fair and reasonable having regard to the commercial interests of the parties;
  - (ii) that at all times, any Service provided under this agreement must be provided in accordance with *good electricity industry practice*, all Applicable Laws and the other requirements of this agreement; and
  - (iii) that this agreement should be consistent with the prevailing practices and standards in the electricity industry at that time.

### 17.4 COVID-19

The parties acknowledge and agree that:

- (a) the human coronavirus disease named by the World Health Organisation as COVID-19, including the virus that causes that disease, ("COVID-19") may cause disruption and delay; and
- (b) COVID-19 will constitute a change to an Applicable Law to the extent that:
  - (i) it results in a change to pre-existing circumstances or actions (including but not limited to actions by the State or Commonwealth governments in response to COVID-19 or a change to the severity of pre-existing circumstances (such as an increase in COVID-19 infection rates)); or
  - (ii) it is an event that occurs after the Execution Date.

## 18. ASSIGNMENT AND CHANGE OF CONTROL

### 18.1 General prohibition of Assignment

Subject to this clause 18, each party's rights and obligations under this agreement are personal to it and no party may assign, novate or otherwise transfer any of its rights or obligations under this agreement (an "**Assignment**") without the prior written consent of the other party, which may not be unreasonably withheld, delayed or given subject to unreasonable conditions.

## 18.2 Withholding consent

A party (a "continuing party") may only withhold its consent to an Assignment by another party ("assignor") if:

- (a) the continuing party is reasonably satisfied that the proposed assignee is not financially, technically and legally capable of performing the assignor's obligations, under this agreement; and/or
- (b) the assignor does not comply with clause 18.3 (as applicable),

provided that it will not be reasonable for any party to withhold its consent to the Assignment by Transgrid to a proposed assignee which has been or will at the time the Assignment is effective be registered as a *Network Service Provider* in respect of a substantial part of the Transmission System (which in any case must include the Assets).

## 18.3 Assignment requirements

- (a) The Customer may only Assign its rights and obligations under this agreement if:
  - (i) it is an Assignment of all of the Customer's rights and obligations under this agreement;
  - (ii) the Customer at the same time also assigns, transfers or disposes of (its interest in) the Customer's Facilities, the Project Agreement, and any Consent Deed contemplated by clause 18.9 to the proposed assignee and the assignee will at the time the Assignment is effective be the owner of the Customer's Facilities; and
  - (iii) at the time the Assignment is effective the assignee provides replacement Credit Support that complies with the requirements of this agreement.
- (b) If the Customer proposes to Assign all its rights and obligations under this agreement in accordance with clause 18.3(a), the Customer must:
  - (i) prior to such Assignment, notify the other party that it intends to assign its rights under this agreement;
  - (ii) have the onus of establishing the applicable requirements specified in clause 18.2 or clause 18.3(a) above (as relevant) to the reasonable satisfaction of the other party; and
  - (iii) ensure that the proposed assignee:
    - A. enters into a deed in form and substance satisfactory to Transgrid under which the proposed assignee assumes all of the obligations and liabilities of the assignor under:
      - I. this agreement;
      - II. the Project Agreement; and
      - III. and any Consent Deed contemplated by clause 18.9,including those arising prior to the Assignment and not then performed or discharged;
    - B. obtains all requisite authorisations for the Assignment and assumption;
    - C. procures that Transgrid is provided with the Credit Support; and
    - D. has sufficient financial, technical and legal capacity to own the Customer's Facilities.

## 18.4 Transgrid Assignment to Related Bodies Corporate

- (a) Transgrid may from time to time, without the Customer's consent, Assign all (but not part) of its rights and obligations under this agreement to a Related Body Corporate of Transgrid if at the time the Assignment takes effect:

- (i) Transgrid also assigns, novates or otherwise transfers its rights and obligations under the Project Agreement and any Consent Deed contemplated by clause 18.9 to the same Related Body Corporate;
- (ii) such Related Body Corporate owns, controls or operates the Assets and holds all Authorisations necessary to do so; and
- (iii) such Related Body Corporate has the legal, financial and technical capacity to perform Transgrid's obligations under this agreement, the Project Agreement and any Consent Deed contemplated by clause 18.9,

provided that such Related Body Corporate must enter into a deed agreeing to be bound by Transgrid's obligations from the novation date and must also enter into a tripartite deed (if any) with the Customer's financiers (or a trustee, agent or representative thereof) substantially in the form required by this agreement.

- (b) Transgrid must provide the Customer with written notice of an Assignment which occurs pursuant to clause 18.4(a) as soon as practicable after the Assignment.
- (c) Where Transgrid proposes to Assign its rights and obligations under this agreement in accordance with clause 18.4(a), the Customer must do all such things and sign all such documents as may be required by law or reasonably required by Transgrid to give effect to such Assignment.

## 18.5 Security Interests

- (a) Subject to clauses 18.5(b), 18.5(c) and 21, no party is permitted to create or permit to exist any Security Interest over its rights under this agreement except with the prior written consent of the other parties (such consent not to be unreasonably withheld or delayed).
- (b) Transgrid may grant Security Interests over this agreement where such Security Interest is granted to financiers (or any trustee or agent appointed by them) for the purposes of financing any of Transgrid's business operations.
- (c) The Customer may grant Security Interests over this agreement where such Security Interest is granted to financiers (or any trustee or agent appointed by them) or for the purpose of financing any of the Customer's Facilities.

## 18.6 Registered Participant

- (a) The parties acknowledge that as at the Services Commencement Date, for the purposes of the Rules, the Customer will be registered as a *Customer* under the Rules in relation to the *connection point* for the Customer's Facilities.
- (b) If, at any time after the Execution Date, the Customer intends to cease to be the *Registered Participant* in relation to the Customer's Facilities, the Customer must notify Transgrid in writing prior to the change occurring. The notification must include:
  - (i) the name of the *Registered Participant*;
  - (ii) the ACN or ABN of the *Registered Participant*;
  - (iii) the registered business address of the *Registered Participant*;
  - (iv) a contact officer for the *Registered Participant*; and
  - (v) the telephone number, and email address of the contact officer specified above.
- (c) The Customer must provide such further information concerning the *Registered Participant* as is reasonably requested by Transgrid.

- (d) During any period where the Customer is not the *Registered Participant* in relation to the *connection point* for the Customer's Facilities, the following additional provisions will apply as between the parties:
  - (i) the Customer will comply with all obligations and requirements under the Rules as if the Customer (and not any Related Company) was the *Registered Participant* in relation to the Customer's Facilities;
  - (ii) the Customer will have all the rights and entitlements that the Customer would have under the Rules in relation to a *connection agreement* for the Customer's Facilities as if the Customer (and not any Related Company) was the *Registered Participant* in relation to the Customer's Facilities, except where those rights and entitlements are inconsistent with this agreement (in which case clause 19.19 will apply); and
  - (iii) Transgrid will have all the rights and entitlements that Transgrid would have under the Rules in relation to a *connection agreement* for the Customer's Facilities as if the Customer (and not any Related Company) was the *Registered Participant* in relation to the Customer's Facilities, except where those rights and entitlements are inconsistent with this agreement (in which case clause 19.19 will apply).

#### 18.7 Successors

This agreement binds the successors and permitted assigns of each party.

#### 18.8 Change of Control

- (a) For the purpose of this clause 18.8:
  - (i) a "**Change of Control**" occurs if:
    - A. a person; or
    - B. if a person comprises more than one entity, any one of the entities comprising that person,
 comes under the Control of a third party who did not Control the person at the Execution Date; and
  - (ii) "**Control**" has the meaning given to it in section 50AA of the Corporations Act 2001 (Cth).
- (b) The Customer must give Transgrid prior written notice of any proposed Change of Control of the Customer.
- (c) The Customer must not be the subject of any Change of Control without the prior written consent of Transgrid, such consent not to be unreasonably withheld, delayed or given subject to unreasonable conditions, provided that:
  - (i) Transgrid is reasonably satisfied that the Change of Control will not diminish, fetter, limit or otherwise restrict the ability of the Customer to fulfil its obligations under this agreement; or
  - (ii) if Transgrid is not so satisfied, the Customer procures that Transgrid is provided with additional Credit Support required by Transgrid (in its discretion) that complies with clause 3.10 and clause 3.10 and Schedule 1 will apply to the Credit Support so provided.

#### 18.9 Consent deed

If requested by the Customer's financiers, the parties must, within 5 Business Days after the Customer's notice to the other parties of such request, execute and deliver to the Customer's financier a Consent Deed.

## 18.10 Transfer at expiry or early termination of Transmission Network Lease

- (a) On written notice to the other parties, Transgrid may on and from the expiry or early termination of the lease between MHC as lessor and NSW Electricity Networks Assets Pty Limited as trustee of the NSW Electricity Network Assets Trust as lessee dated 16 December 2015 ("Transmission Network Lease") assign, novate or transfer all of its rights and obligations under this agreement to MHC (or its nominee) without the other parties' consent.
- (b) Such assignment, novation or transfer will be effected by written notice from Transgrid to each other party, irrespective of whether the parties execute an assignment or novation deed.

## 19. MISCELLANEOUS

### 19.1 Governing law

This agreement is governed by and will be construed according to the laws of New South Wales.

### 19.2 Jurisdiction

- (a) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating in any way to this agreement.
- (b) Each party irrevocably waives any objection it may now or in the future have to the venue of any proceedings, and any Claims it may now or in the future have that any proceedings have been brought in an inconvenient forum, where that venue falls within clause 19.2(a).

### 19.3 Amendments

This agreement may only be varied by a document signed by or on behalf of each of the parties.

### 19.4 Waiver

- (a) Failure to exercise or enforce or delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this agreement by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this agreement.
- (b) Any waiver or consent given by any party under this agreement will only be effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this agreement will operate as a waiver of another breach of that term or of a breach of any other term of this agreement.

### 19.5 Further acts

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by any other party to give effect to this agreement.

### 19.6 Execution and Counterparts

- (a) This agreement as well as modifications to it may be executed electronically (including by electronic signature or by email of a signed document in PDF or scanned format), in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this agreement, all of which together constitute one agreement.
- (b) Each signatory confirms that their signature appearing in the document, including any such print-out (irrespective of which party printed it), is their personal signature authenticating it.

- (c) A party who has executed a counterpart of this agreement may exchange that counterpart with another party by emailing the counterpart executed by it to that other party and, upon request by that other party, will thereafter promptly deliver by hand or post to that other party the executed counterpart so exchanged by email, but delay or failure by that party to so deliver a counterpart of this agreement executed by it will not affect the validity of this agreement. The parties agree and intend that such an exchange by email in PDF or scanned format shall bind the party so signing with the same effect as though the signature were an original signature.
- (d) Where a person signs this Agreement electronically, the electronic signature is an effective binding signature, and the electronic document containing it can be an effective electronic counterpart of this Agreement. In addition, the person intends that any print-out of the signature by a party will also constitute an effective original signature, so that the print-out will also be an executed original counterpart of the Agreement.
- (e) The parties to this document acknowledge and agree that:
  - (i) they consent to the use of the electronic signatures and the agreement proceeding by electronic means; and
  - (ii) they intend to be legally bound by the terms of the agreement on which the electronic signature(s) has been placed.

#### **19.7 No representation or reliance**

- (a) Each party acknowledges that the other parties (or any person acting on their behalf) have not made any representation or other inducement to it to enter into this agreement, except for inducements expressly set out in this agreement.
- (b) Each party acknowledges and confirms that it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of another party, except for any inducement expressly set out in this agreement.

#### **19.8 Indemnities**

- (a) Each indemnity in this agreement is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this agreement.
- (b) It is not necessary for a party to incur expense or make any payment before enforcing a right of indemnity conferred by this agreement.
- (c) A party must pay on demand any amount it must pay under an indemnity in this agreement.

#### **19.9 Entire agreement**

To the extent permitted by law, this agreement embodies the entire understanding of the parties and constitutes the entire terms agreed upon between the parties, and supersedes any prior agreement (whether or not in writing) between the parties, in relation to the subject matter of this agreement.

#### **19.10 Consents**

A consent required under this agreement from a party may be given subject to any conditions, as that party (in its absolute discretion) thinks fit, unless this agreement expressly provides otherwise.

#### **19.11 Subcontracting**

Transgrid may engage contractors to perform the Services or any part of the Services, provided that the engagement of such contractors will not release Transgrid from its obligations under this agreement.

## 19.12 Expenses

Except as otherwise provided in this agreement or a Preliminary Agreement (as defined in the Project Agreement), each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing this agreement.

## 19.13 Stamp duties

The Customer:

- (a) must pay all stamp duties and any related fines and penalties in respect of this agreement, the performance of this agreement and each transaction effected by or made under this agreement;
- (b) indemnifies Transgrid against any liability arising from failure to comply with clause 19.13(a), including any liability to reimburse any other party for such amounts; and
- (c) is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause.

## 19.14 Exercise of rights

A party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or any other right, power or remedy. Failure by a party to exercise, or a delay in exercising a right, power or remedy does not prevent its exercise.

## 19.15 Remedies cumulative

The rights, powers and remedies provided in this agreement are cumulative with and are not exclusive of the rights, powers or remedies provided by law independently of this agreement.

## 19.16 Publicity

A party may not make press or other announcements or releases relating to this agreement and the transactions the subject of this agreement without the approval of the other parties to the form and manner of the announcement or release unless that announcement or release is required to be made by law or by a recognised stock exchange.

## 19.17 Severance

If the whole or any part of a provision of this agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this agreement or is contrary to public policy.

## 19.18 No partnership

Nothing contained or implied in this agreement creates any partnership, agency or trust between the parties, and no party has any authority to bind another party in any way.

## 19.19 Inconsistency between agreement and Rules

- (a) If any terms of this agreement are inconsistent with any obligation imposed or right conferred on a *Registered Participant* by Chapter 5 of the Rules and the application of the conflicting terms of this agreement would adversely affect the quality or security of *network service* to other *Network Users*, the provisions of Chapter 5 of the Rules will prevail over the terms of this agreement to the extent of the inconsistency.
- (b) The Customer must comply with the Rules as if it was registered as a *Customer* in relation to the Customer's Facilities.

- (c) If this agreement imposes an obligation on a party and compliance by that party with that obligation would cause that party to breach the Rules then the party need not comply with that obligation to the extent necessary to avoid breaching the Rules.
- (d) The following order of precedence applies in the event of any ambiguity, discrepancy or inconsistency between Applicable Laws, this agreement, the Project Agreement and other agreements relating to the Connection Work and Services between the parties:
  - (i) Applicable Laws, including the Rules;
  - (ii) this agreement;
  - (iii) Project Agreement; and
  - (iv) other agreements relating to the Connection Work and Connection Services between two or more of the parties.

## 19.20 Acknowledgement of Rules obligations

The parties acknowledge that, notwithstanding clause 19.19, the Rules include a number of obligations which relate to this agreement and that, except as otherwise expressly provided for, this agreement is not intended to affect such Rules obligations.

## 19.21 Acknowledgement of System Operator function

The Customer acknowledges that Transgrid is currently a *System Operator* and may at some time in the future be a *System Operator* or a service provider to AEMO appointed under clause 4.3.3 of the Rules (a "**service provider**"). The Customer agrees that, notwithstanding any other term of this agreement, no action taken by Transgrid, or any failure by Transgrid to act, in its capacity as a *System Operator* or a service provider will represent a breach of this agreement or a failure to provide any Service to the Customer under this agreement.

# 20. INSURANCE

## 20.1 Insurance Cover

*[Drafting note: Transgrid to consider whether there will be any change to the standard insurance arrangements on a project by project basis.]*

Each party must effect and maintain for the Term, appropriate insurance arrangements for:

- (a) workers compensation insurance covering liability to employees under the law of their place of employment and any other place where such employees may be required to perform work in connection with this agreement;
- (b) motor vehicle insurance covering damage to and arising from the party's motor vehicles utilised in the exercise its rights and perform its obligations under this agreement for an overall amount of \$20 million; and
- (c) public liability insurance in the amount of \$20 million for any one occurrence,  
(for each party the "**Insurance Cover**").

## 20.2 Inspection of Insurance Cover documentation

On reasonable request by a party ("**requesting party**"), each party ("**requested party**") must make available for inspection by the requesting party evidence of the Insurance Cover maintained under clause 20.1 by the requested party, such evidence to be in the form of certificates of currency.

# 21. PERSONAL PROPERTY SECURITIES ACT

- (a) Subject to clause 21(b):

- (i) nothing in this agreement creates, or shall be interpreted as creating any Security Interest in Transgrid's Equipment or the Customer's Facilities; and
- (ii) each party agrees that it will not seek to register, or otherwise assert the existence of any Security Interest in Transgrid's Equipment or the Customer's Facilities.

(b) The parties agree that any registration made in respect of Transgrid's Equipment or the Customer's Facilities as referred to in clauses 7.1 and 7.2 respectively will be registered under the 'other goods' collateral class.

## 22. INTELLECTUAL PROPERTY RIGHTS

### 22.1 Agreement grants no interest

Unless the parties otherwise agree in writing, the Customer acknowledges that nothing in this Agreement grants it any Intellectual Property Rights in any material owned or controlled by Transgrid and that all Intellectual Property Rights in any material developed or used by Transgrid to perform the Services will remain in the ownership of Transgrid.

### 22.2 Licences

- (a) In consideration of Transgrid performing the Services, the Customer grants a non-exclusive royalty free licence to Transgrid and its Associates to use any Intellectual Property Rights in any material provided by it to Transgrid which is used to perform the Services.
- (b) In consideration of the Customer performing its obligations under this agreement, Transgrid grants a non-exclusive royalty-free licence to the Customer to use any Intellectual Property Rights in any material provided by it to the Customer for the purpose of operating and maintaining the Customer's Facilities and exercising its rights under this agreement.

### 22.3 Indemnity from the Customer

The Customer indemnifies and saves harmless Transgrid and its Associates from any Damages suffered or Claims incurred by Transgrid and its Associates arising from or in connection with any actual or alleged infringement by Transgrid and its Associates of Intellectual Property Rights of a third party, where, pursuant to this agreement, such Intellectual Property Rights have been furnished or licensed to Transgrid by the Customer and Transgrid is using those Intellectual Property Rights in accordance with such licence.

### 22.4 Parties to cooperate

- (a) The Customer will render all reasonable assistance to and will co-operate with Transgrid for the purposes of defending or otherwise in connection with any Claims which are brought against Transgrid and its Associates in respect of any such actual or alleged infringement. Transgrid will notify the Customer as soon as practicably possible after the date on which any such Claims become known to Transgrid.
- (b) Transgrid will render all reasonable assistance to and will co-operate with the Customer for the purposes of defending or otherwise in connection with any Claim which are brought against the Customer and its Associates in respect of any such actual or alleged infringement. The Customer will notify Transgrid as soon as practicably possible after the date on which any such Claims become known to the Customer.

## 23. TRUSTEE'S CAPACITY AND LIABILITY

### 23.1 Limitation of liability

Despite any other provision of this agreement:

- (a) the Trustee enters into this agreement in its capacity as trustee of the Trust and in no other capacity;

- (b) subject to clause 23.1(d), the recourse of the Customer or any other person to the Trustee in respect of any of the Trustee's obligations and liabilities under or in connection with this agreement is limited to the amount the Trustee actually receives in the exercise of its right of indemnity from the assets of the Trust;
- (c) subject to clause 23.1(d), if the Trustee does not receive all or any part of the money owing to it in connection with the Trustee not complying with any obligation or not paying any liability under or in connection with this agreement because the Trustee cannot obtain that money under the indemnity referred to in clause 23.1(b), the Customer cannot bring proceedings against the Trustee in its personal capacity to recover that money; and
- (d) clauses 23.1(b) and 23.1(c) do not apply to any obligation or liability of the Trustee under or in connection with this agreement to the extent that it is not complied with or paid because the Trustee's right to be indemnified from the Trust assets is reduced because of the Trustee's own fraud or breach of trust.

### **23.2 Contribution to liability**

An act or omission of the Trustee (including acts and omission that result in the Trustee not complying with any obligation or not paying any liability under or in connection with this agreement) does not constitute fraud or breach of trust by the Trustee for the purposes of this clause 23 to the extent to which that act or omission was caused or contributed to by any act or omission of the Customer.

### **23.3 Trustee warranties**

The Trustee warrants to each other party that, on the Execution Date:

- (a) the Trust has been duly established;
- (b) it is the sole trustee of the Trust;
- (c) it has been validly appointed as trustee of the Trust and no action has been taken, or to its knowledge has been proposed, to remove it as trustee of the Trust;
- (d) it has power under the trust deed which establishes the Trust to enter into this agreement and comply with its obligations under this agreement;
- (e) it has taken all necessary action to authorise the execution of this agreement and performance of its obligations under this agreement (including any authorisation required under the trust deed which establishes the Trust);
- (f) it has a right to be indemnified out of the Trust assets in respect of obligations incurred by it under this agreement except to the extent:
  - (i) the Trustee has acted beyond power or improperly in relation to the Trust; or
  - (ii) as a result of the Trustee's fraud or breach of trust;
- (g) no action has been taken, or to its knowledge has been proposed, to terminate the Trust; and
- (h) entry into this agreement is a valid exercise of its powers under the trust deed which establishes the Trust for the benefit of the beneficiaries of the Trust.

### **23.4 Trustee obligations**

The Trustee must not, without the consent of each other party, do anything which:

- (a) reduces the Trustee's right of indemnity from the assets of the Trust in respect of the Trustee's obligations under this agreement;
  - (i) effects or facilitates the termination of the Trust; or

- (ii) effects or facilitates the resettlement of the assets of the Trust.
- (b) The Trustee must exercise its right of indemnity under the trust deed which establishes the Trust to the assets of the Trust in respect of liabilities it incurs to another party under this agreement.

## **24. ANTI-BRIBERY AND CORRUPTION**

Despite any other provision of this agreement, the parties must not engage in, and must ensure that their Associates and Related Bodies Corporate in carrying out any part of the works, obligations or activities under this agreement do not engage in, any fraud, bribery or corruption.

## **25. MODERN SLAVERY**

Each party must:

- (a) comply with the Modern Slavery Laws;
- (b) not engage in any Modern Slavery practices;
- (c) take all steps reasonably necessary to ensure that its Related Bodies Corporate and Subcontractors do not engage in, and its supply chains do not involve, Modern Slavery practices;
- (d) provide all information as may be reasonably required by the other party to comply with its reporting obligations under the Modern Slavery Laws, including in relation to:
  - (i) the party's structure, operations and supply chains;
  - (ii) the risk of Modern Slavery practices in the party's structure (including in respect of its Related Bodies Corporate) and supply chains;
  - (iii) actions taken by the party to assess and address any Modern Slavery risks, including due diligence and remediation processes, and details of the effectiveness of such actions;
  - (iv) policies, codes of conduct, training and procedures in relation to Modern Slavery; and
  - (v) details of consultation with the party's Related Bodies Corporate and Subcontractors; and
- (e) notify the other party as soon as possible after it becomes aware of any actual or potential breach of this clause 25, such notice setting out full details of the actual or potential breach.

**Executed** as an agreement on the Execution Date

Each attorney executing this agreement states that he or she has no notice of the revocation or suspension his or her power of attorney.

**SIGNED** for and on behalf of **NSW Electricity Networks Operations Pty Limited** (ACN 609 169 959) as trustee for **NSW Electricity Networks Operations Trust** (ABN 70 250 995 390) in accordance with section 126 of the *Corporations Act 2001* (Cth) by its attorneys under power of attorney:

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Signature of Attorney

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Signature of Attorney

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Name and position of Attorney

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Name and position of Attorney

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Date:

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Date:

**Executed** for and on behalf of **[Customer Name]** (ABN **[Customer ABN]**) in accordance with section 127 of the *Corporations Act 2001* (Cth):

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Signature of  
(delete as applicable)

Director/Secretary

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Signature of Director

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Name of Director/Secretary

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Name of Director

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Date:

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Date:

## Schedule 1– Financial capacity

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### 1. ACCEPTABLE CREDIT RATING

For the purposes of this Schedule 1, an entity will have an "**Acceptable Credit Rating**" if at all times it holds a long term issuer credit rating of:

- (a) at least A- in respect of unsecured obligations of the entity, as rated by Standard & Poor's or the equivalent long term rating from Moody's Investors Service or Fitch Ratings; or
- (b) if Standard & Poor's, Moody's Investors Service and Fitch Ratings no longer determines credit ratings, an equivalent rating or better from an internationally recognised credit ratings agency with at least an equivalent reputation.

### 2. CREDIT SUPPORT

The Customer must, by no later than the Payment Commencement Date, procure that Transgrid is provided with credit support in Transgrid's favour by the Credit Support Provider (as defined below) that:

- (a) is issued directly to Transgrid by a bank approved by Transgrid (acting reasonably and having regard to Transgrid's total exposure to that bank) which is an Approved Bank supervised by APRA and carries an Acceptable Credit Rating ("**Credit Support Provider**");
- (b) is issued directly to Transgrid:
  - (i) if Transgrid has approved an Approved Digital Bank Guarantee Platform, through an Approved Digital Bank Guarantee Platform; or
  - (ii) if Transgrid has not approved or no longer approves any Approved Digital Bank Guarantee Platforms, from a branch located in Australia by the Credit Support Provider;
- (c) is capable of being presented for payment at an office of the issuing bank in Sydney and, if issued through an Approved Digital Bank Guarantee Platform, is also capable of being presented for payment through that Approved Digital Bank Guarantee Platform;
- (d) is in the form of an unconditional and irrevocable bank guarantee reasonably acceptable to Transgrid;
- (e) is duly executed by the Credit Support Provider and delivered unconditionally to Transgrid;
- (f) constitutes a valid and binding unsubordinated obligation of the Credit Support Provider to make payment to Transgrid; and
- (g) permits drawings or claims by Transgrid to an amount which is not less than the amount determined in accordance with paragraph 9 of this Schedule 1 from time to time.

(the "**Credit Support**"). For the avoidance of doubt, "Credit Support" includes any replacement Credit Support provided by the Customer in accordance with the terms of this agreement.

### 3. AMOUNT OF CREDIT SUPPORT

If the Customer has been required to procure that Transgrid is provided with the Credit Support, the Customer must ensure that at all times the aggregate undrawn or unclaimed amount of the Credit Support is not less than the amount determined in accordance with paragraph 9 of this Schedule 1 from time to time (the "**Guaranteed Amount**"), and must provide replacement Credit Support within 5 Business Days after the aggregate undrawn or unclaimed amount of the Credit Support becomes less than the Guaranteed Amount.

#### 4. DRAWINGS ON CREDIT SUPPORT

- (a) Transgrid has an irrevocable and unconditional right to draw or claim upon the Credit Support where the Customer has failed to:
  - (i) pay any amount to Transgrid under this agreement on the due date for payment (except for any amounts in respect of which it has given notice pursuant to clause 3.6 of this agreement and has otherwise complied with its obligations under clause 3.6 of this agreement in respect of those amounts);
  - (ii) comply with paragraphs 3 or 4 of this Schedule 1; or
  - (iii) procure that Transgrid is provided with replacement Credit Support when required in accordance with this Schedule 1.
- (b) Where Transgrid draws or claims upon any Credit Support, the Customer must procure the issue of further Credit Support within 5 Business Days in the amount drawn or claimed so as to comply with its obligation to maintain aggregate undrawn current and valid Credit Support for the then current Guaranteed Amount.
- (c) The provisions of this paragraph 4 of Schedule 1 will survive the termination of this agreement.

#### 5. CHANGES IN AMOUNT OF CREDIT SUPPORT

- (a) Transgrid agrees to reduce the amount of the Credit Support if Transgrid is satisfied that the amount of that Credit Support exceeds the Guaranteed Amount at that time.
- (b) If at any time, the amount of the Credit Support held by Transgrid is less than the Guaranteed Amount, Transgrid may request the Customer to procure that Transgrid is provided with additional Credit Support for the amount of that shortfall.
- (c) The Customer must provide any additional Credit Support requested within 10 Business Days after Transgrid's request pursuant to paragraph 5(b) of this Schedule 1 (which additional Credit Support must satisfy the other requirements of this Schedule 1).

#### 6. REFUND OF DRAWING

If Transgrid has drawn on a Credit Support:

- (a) for an amount which the Customer was not liable to pay or reimburse Transgrid under the terms of this agreement; or
- (b) in excess of an amount for which the Customer was liable to pay or reimburse Transgrid under the terms of this agreement,

then, Transgrid must:

- (c) in the case of a drawing referred to in paragraph 6(a) of this Schedule 1, refund the amount drawn to the Customer; or
- (d) in the case of a drawing referred to in paragraph 6(b) of this Schedule 1, refund the difference between the amount that was drawn and the amount for which the Customer is liable to pay Transgrid.

#### 7. RETURN OF CREDIT SUPPORT

Transgrid must return the Credit Support referred to in paragraph 2 of this Schedule 1 to the Customer within 10 Business Days of the full discharge of the Customer's obligations under this agreement, to the extent not drawn in accordance with this agreement.

## 8. EXPIRY OF CREDIT SUPPORT

- (a) If any Credit Support is due to expire prior to the date when Transgrid must return that Credit Support under paragraph 7 of this Schedule 1, then 20 Business Days prior to the expiration of the term of that Credit Support (and any replacement of that Credit Support in accordance with this Schedule 1) the Customer must procure that Transgrid is provided with a replacement Credit Support from an issuer described in paragraph 2(a) of this Schedule 1 on the same terms as the Credit Support it replaces.
- (b) The Customer agrees that in addition to any other right of Transgrid's to draw on any Credit Support, Transgrid may make a drawing on Credit Support if the obligation to provide a replacement Credit Support under paragraph 8(a) of this Schedule 1 is not satisfied prior to the date which is 20 Business Days prior to the expiration of the term of the Credit Support, in which event Transgrid may draw the full face value of that Credit Support prior to its expiry and hold that amount as security until such time as the Customer provides replacement Credit Support.

## 9. GUARANTEED AMOUNT

- (a) Subject to clause [14] of the Project Agreement and paragraph 9(b) of this Schedule 1, the Guaranteed Amount for each period during the Term is as set out in the following table.
- (b) In respect of each of Contract Years [3 to 25], the Guaranteed Amount will only step down to the reduced amount set out in the following table for that Contract Year if as at the commencement of that Contract Year, the Customer:
  - (i) is registered as a *Customer* with respect to the Customer's Facilities;
  - (ii) is capable of importing and exporting electricity from the Customer's Facilities into the NEM up to the *nameplate capacity*; and
  - (iii) has fully complied with its property related obligations under this agreement and clause [26] of the Project Agreement.

| Contract Year | Guaranteed Amount (\$m) |
|---------------|-------------------------|
| 1.            |                         |
| 2.            |                         |
| 3.            |                         |
| 4.            |                         |
| 5.            |                         |
| 6.            |                         |
| 7.            |                         |
| 8.            |                         |
| 9.            |                         |
| 10.           |                         |
| 11.           |                         |
| 12.           |                         |
| 13.           |                         |

| Contract Year | Guaranteed Amount (\$m) |
|---------------|-------------------------|
| 14.           |                         |
| 15.           |                         |
| 16.           |                         |
| 17.           |                         |
| 18.           |                         |
| 19.           |                         |
| 20.           |                         |
| 21.           |                         |
| 22.           |                         |
| 23.           |                         |
| 24.           |                         |
| 25.           |                         |

## 10. REPLACEMENT OF CREDIT SUPPORT

- (a) The Customer may, subject to the prior written consent of Transgrid (acting reasonably) procure that Transgrid is provided with a replacement Credit Support ("New Credit Support") which complies with the requirements of paragraphs 2 and 3 of this Schedule 1.
- (b) Transgrid will return to the Customer the Credit Support held by Transgrid in exchange for the New Credit Support provided to Transgrid.

## 11. REPLACEMENT OF DIGITAL CREDIT SUPPORT

- (a) Transgrid may at any time, by notice to the Customer, revoke its approval of an Approved Digital Bank Guarantee Platform.
- (b) On receiving a notice under paragraph 11(a) of this Schedule 1 the Customer must procure the immediate issue of replacement Credit Support to Transgrid from an issuer described in paragraph 2(a) of this Schedule 1 on the same terms as the Credit Support it replaces. Transgrid will return to the Customer the Credit Support held by Transgrid in exchange for the replacement Credit Support provided to Transgrid.
- (c) The Customer agrees that in addition to any other right of Transgrid's to draw on any Credit Support, Transgrid may make a drawing on any Credit Support issued through an Approved Digital Bank Guarantee Platform for which Transgrid has revoked its approval under paragraph 11(a) of this Schedule 1, in which event Transgrid may draw the full face value of that Credit Support and hold that amount as security until such time as the Customer provides a replacement Credit Support.

## Schedule 2 – Co-ordination of Outage Plan and maintenance activities

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### 1. DEFINITIONS

For the purpose of this Schedule 2:

**"Firm Date"** means the date specified in the Outage Plan (or such other date as agreed between the parties) after which a Scheduled Outage cannot be changed.

**"Planned Work"** means any Work in relation to:

- (a) the Transmission System (including the Assets), in the case of Transgrid, which is required to be undertaken by Transgrid in relation to a Scheduled Outage by Transgrid, and is not Unplanned Work; or
- (b) the Customer's Facilities, in the case of the Customer, which is required to be undertaken by the Customer in relation to a Scheduled Outage by the Customer and is not Unplanned Work.

**"Scheduled Outage"** means any full or partial unavailability of the Transmission System or the Customer's Facilities due to anticipated service and maintenance and modification requirements which:

- (a) is likely to reduce the Agreed Capability at a Connection Point;
- (b) could reasonably be expected to have an effect on the normal operation of the Transmission System or the Customer's Facilities (as applicable);
- (c) could reasonably be expected to have a material adverse effect on *power system security*;
- (d) could reasonably be expected to have a material adverse effect on power quality on the *power system*; or
- (e) will involve the full or partial unavailability of a *transmission line* directly connected to a Connection Point.

**"Unplanned Work"** means any Work in relation to:

- (a) the Transmission System, in the case of Transgrid, which Transgrid considers should be undertaken in order to prevent or deal with an Emergency or as a result of an Emergency; or
- (b) the Customer's Facilities, in the case of the Customer, which the Customer considers should be undertaken in order to prevent or deal with an Emergency or as a result of an Emergency.

### 2. DEVELOPMENT OF A CO-ORDINATED OUTAGE PLAN

The parties will maintain and regularly review a plan setting out their respective Scheduled Outages (an **"Outage Plan"**) with the objective of co-ordinating Scheduled Outages for a planning period determined in advance.

The Outage Plan will contain at least the following details:

- (a) a list of proposed Scheduled Outages and the date or dates on which each proposed Scheduled Outage is due to occur;
- (b) where applicable, the Firm Date for the Scheduled Outage;
- (c) the items of plant and equipment that will be out of service or will be partially unavailable during the Scheduled Outage;
- (d) the nature of the service and Work required on the equipment during the Scheduled Outage; and
- (e) the expected total period of time during which equipment taken out of service is expected to be unavailable during the Scheduled Outage.

### 3. REVIEW OF OUTAGE PLAN

The parties will regularly review the Outage Plan and will use their reasonable endeavours to ensure that any changes to the Outage Plan are notified to the other parties.

### 4. RESPONSE TO OUTAGE PLAN

A party (the "**requesting party**") may notify the other parties (the "**notified parties**") that it wishes the notified parties to reconsider the date on which a Scheduled Outage is scheduled to occur provided that the date of the request is prior to the Firm Date specified in the plan for that Scheduled Outage.

The requesting party will include details of:

- (a) its reasons for wanting the dates on which the Scheduled Outage is intended to occur to be revised; and
- (b) its preferred time for the Scheduled Outage.

### 5. CONSULTATION

Each party agrees to consult with the other parties following the notification referred to in paragraph 4 of this Schedule 2, in relation to any variation to the Outage Plan. The parties acknowledge that each of them may need to consult with and take account of the views of other parties in relation to when a Scheduled Outage is to occur.

During the consultation process, the notified parties will (acting reasonably and in good faith) consider a request from the requesting party to vary the Outage Plan having regard to, without limitation:

- (a) the costs to the notified party of varying the timing of a Scheduled Outage;
- (b) the costs to other affected parties of varying the timing of a Scheduled Outage;
- (c) any requests from other affected parties of the notified party to vary a Scheduled Outage; and
- (d) the difficulties involved in co-ordinating a variation to the Scheduled Outage.

### 6. NOTICE OF AMENDED OUTAGE

- (a) The notified parties will, as soon as practicable after receipt of the requesting party's notice and completion of consultation in accordance with paragraph 5 of this Schedule 2, advise the requesting party of their decision in relation to the request made under paragraph 4 of this Schedule 2 to vary the Scheduled Outage, and where appropriate specify the terms, including any compensation, under which the variation will be made.
- (b) The notified parties will not be required to vary the date on which a Scheduled Outage is due to occur unless the requesting party agrees to the meet the specified terms.
- (c) Where the parties reach agreement on varying the date on which a Scheduled Outage is due to occur, the notified parties will revise the Outage Plan to reflect the varied date on which the Scheduled Outage is to occur.

### 7. PUBLICATION OF OUTAGE PLAN

A party may publish the Outage Plan, but must not publish any information that the party reasonably considers to be confidential.

### 8. NO EFFECT ON RIGHTS

- (a) The parties agree that the existence of the Outage Plan or the inclusion of any Scheduled Outage in the Outage Plan will not affect any right that any of them has under this agreement to take equipment out of service or reduce the Agreed Capability at a Connection Point.

- (b) Without limiting paragraph 8(a) of this Schedule 2, nothing in this Schedule 2 or this agreement will prevent a party immediately carrying out any Unplanned Work in relation to:
  - (i) the Transmission System, in the case of Transgrid;
  - (ii) the Customer's Facilities, in the case of the Customer.
- (c) A party needing to undertake any Unplanned Work must notify the other parties in writing as soon as possible after it becomes aware of the need to undertake that Unplanned Work.

## 9. **UNDERTAKING OF WORK**

Each party will, in carrying out any Planned Work or Unplanned Work:

- (a) diligently carry out that Work and ensure that it is completed in a timely manner; and
- (b) not unreasonably delay or restrict the other parties from performing Work which is necessary for those parties to perform in order to comply with the requirements of Applicable Laws and *good electricity industry practice*.

## 10. **IMPACT OF MAINTENANCE ON CAPABILITY**

Without limiting paragraph 11 of this Schedule 2, the Customer agrees that:

- (a) Transgrid has the right to maintain the Transmission System (including the Assets) and undertake other Work in relation to its Transmission System in accordance with:
  - (i) Transgrid's own maintenance policies and procedures (subject to those policies and procedures complying with *good electricity industry practice*); and
  - (ii) the requirements of this Schedule 2;
- (b) an *outage* of a part of the Transmission System for the purposes of undertaking any Work may:
  - (i) reduce the power transfer capability of Transgrid's *transmission network*;
  - (ii) reduce the Capacity of Transgrid's *transmission network* available for use by the Customer at that time; and/or
  - (iii) otherwise interrupt or limit the provision of some or all of the Services by Transgrid to the Customer; and
- (c) Transgrid may disconnect the Customer's Facilities from the Transmission System, or interrupt or limit the provision of any Services in relation to the Customer's Facilities or the Connection Point (including by limiting the transfer of electricity to or from the Customer's Facilities at a Connection Point to or from Transgrid's *transmission network*) for the purposes of undertaking any Work, but only in accordance with the requirements set out in this Schedule 2.

## 11. **INSPECTION AND TESTING UNDER THE RULES**

- (a) Each party will comply with:
  - (i) the provisions of clause 5.7 and 5.8 of the Rules; and
  - (ii) the procedures applicable pursuant to this Schedule 2,

in relation to the inspection and testing of the Customer's Facilities and the Transmission System (whichever is applicable in the circumstances) during the Term.

- (b) Transgrid acting reasonably may require the Customer to conduct (at the Customer's cost) tests to demonstrate that the Customer's Facilities comply with the Customer's Technical Obligations and the other requirements of this agreement and the Rules. Transgrid may witness such tests.

- (c) The Customer acknowledges that Transgrid will need to conduct tests from time to time in relation to the Transmission System and that these tests may result in the interruption to or limitation of Services to the Customer.
- (d) The Customer will:
  - (i) provide all assistance reasonably requested by Transgrid in relation to the conduct of these tests; and
  - (ii) not be entitled to make any Claims against Transgrid in relation to the conduct of these tests and any associated interruption to or limitation of Services to the Customer except to the extent that a Claim arises out of or in connection with:
    - A. a breach of this agreement by; or
    - B. a negligent act or omission by, Transgrid and its Associates.
- (e) The Customer grants to Transgrid and its Associates the right to inspect those parts of the Customer's Facilities necessary to enable Transgrid to give effect to the requirements of this Schedule 2 at any time during the Term.
- (f) Transgrid will, in performing the tests under this Schedule 2, use reasonable endeavours to minimise the extent of any disruption to the provision of the Services and the operation of the Transmission System, the Customer's Facilities.

## Schedule 3 – Metering

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### 1. PROVISION OF METERING INPUTS

- (a) Transgrid will provide inputs from metering class current *transformers* and voltage *transformers* and cable these inputs to an interface point within the Transgrid control room at that location, for each Connection Point except where the Customer elects to use alternate metering arrangements that do not require the use of Transgrid metering class current transformers or voltage transformers.
- (b) The Customer will engage the *Metering Coordinator* and *Metering Provider* for the Metering Installation at each Connection Point and ensure that the Metering Installation meets all the requirements of the Rules.
- (c) The Customer will be the *Financially Responsible Market Participant* for each Connection Point unless the station energy output is contracted to a *Registered Retailer* in which case that *Registered Retailer* will become the *Financially Responsible Market Participant*.
- (d) Details and ownership of the Metering Installation will be documented in Part [•] of the Connection Agreement Data Book.
- (e) The Customer will use *Meter Data Agents* registered with AEMO and will provide to Transgrid the metering data reasonably required by Transgrid for the purpose of the operational planning of the power system or for the billing and charging of Services.

### 2. PROVISION OF METERING SERVICES

If Transgrid is engaged as the *Metering Coordinator* and/or the *Metering Provider* for a Metering Installation, then:

- (a) the charges payable by the Customer to Transgrid for the provision of those services in relation to that Metering Installation; and
- (b) the other terms and conditions applying to the provision of those services in relation to that Metering Installation,

will be set out in a separate agreement between the Customer and Transgrid.

### 3. AMENDMENTS

If changes to Applicable Laws with respect to metering necessitate changes to the terms of this Schedule 3, then the parties must meet and negotiate in good faith new terms of this Schedule 3 to take account of the change and so as to return the parties to their respective commercial positions prior to that change. If the parties are unable to agree on the terms within 28 days after commencing negotiations, the matter will be resolved in accordance with clause 14 of this agreement and the Expert must take into account (amongst other things) the factors in clause 17.3(b) of this agreement.

## Schedule 4 – Nominated harmonics and voltage fluctuation levels and limits

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### 1. HARMONICS

- (a) The Customer must ensure that the effective level of harmonic voltage distortion at the Connection Point originating from within the Customer's Facilities is less than the level determined by Transgrid in accordance with clause S5.1.6(b) of the Rules.
- (b) If Transgrid reasonably determines in respect of the Connection Point that:
  - (i) the effective level of harmonic voltage distortion at the Connection Point originating from within the Customer's Facilities exceeds the level determined by Transgrid for the Connection Point under clause S5.1.6(a) of the Rules or the effective level of interharmonic voltage distortion (for each individual interharmonic between harmonic orders 1 to 50) at an Interface Point originating from within the Customer's Facilities exceeds 0.1%; and
  - (ii) that deficiency results in the system standards not being met or Transgrid being unable to connect any other network user,

then, subject to paragraph 1(c) of this Schedule 4, the Customer must make an election in accordance with paragraph 3 of this Schedule 4 to either:

- (iii) ensure the effective level of harmonic voltage distortion is less than level determined by Transgrid for the Connection Point under clause S5.1.6(a) of the Rules, or the level of interharmonic voltage distortion (for each individual interharmonic between harmonic orders 1 to 50) at an interface Point originating from within the Customers Facilities is 0.1% or less (as applicable); or
- (iv) fund the reasonable cost of the works necessary to mitigate the effect of the Customer connecting at a standard below the level determined by Transgrid for the Connection Point under clause S5.1.6(a) of the Rules for harmonic voltage distortion, or to mitigate the effect due to exceedance of interharmonic voltage distortion level specified under paragraph 1(b)(i) of this Schedule 4 (as applicable).
- (c) The Customer may only elect to fund mitigatory works under paragraph 1(b)(iv) of this Schedule 4 if Transgrid reasonably determines that it is practicable for mitigatory works to be constructed.

### 2. VOLTAGE FLUCTUATIONS

- (a) The Customer must ensure that, at the Connection Point, the level of variation in the load injected or taken by the Customer is less than the level determined by Transgrid in accordance with clause S5.1.5(b) of the Rules.
- (b) If Transgrid reasonably determines in respect of the Connection Point that the level of variation in the load injected or taken by the Customer:
  - (i) is above the level determined by Transgrid for the Connection Point under clause S5.1.5(a) of the Rules; and
  - (ii) results in the system standards not being met or Transgrid being unable to connect any other network user,

then, subject to paragraph 2(c) of this Schedule 4, the Customer must make an election in accordance with paragraph 3 of this Schedule 4 to either:

- (iii) limit the level of variation in the load injected or taken by the Customer to the level determined by Transgrid for the Connection Point under clause S5.1.5(a) of the Rules; or

- (iv) fund the reasonable cost of the works necessary to mitigate the effect of connecting at a standard below the level determined by Transgrid for the Connection Point under clause S5.1.5(a) of the Rules.
- (c) The Customer may only elect to fund mitigatory works under paragraph 2(b)(iv) and 1(b)(iv) of this Schedule 4 if Transgrid reasonably determines that it is practicable for mitigatory works to be constructed.

### 3. ELECTION

- (a) If the Customer must make an election in accordance with paragraph 1(b) or paragraph 2(b) of this Schedule 4, the Customer must within 10 Business Days after being notified by Transgrid of the need to make such election notify Transgrid, that it wishes to either:
  - (i) ensure that it complies with the level of performance set out in paragraph 4 of this Schedule 4; or
  - (ii) fund the reasonable cost of the works necessary to mitigate the effect of connecting at a standard below the level set out in paragraph 4 of this Schedule 4.
- (b) If the Customer elects under paragraph 3(a)(i) of this Schedule 4 to ensure that it complies with the level of performance advised by Transgrid under paragraph 3(a) of this Schedule 4, the Customer must:
  - (i) at the time of making such election, submit to Transgrid the remedial steps it proposes to take to comply with the required level of performance and the timetable for such remedial work (the "**Remedial Plan**");
  - (ii) make any amendments to the Remedial Plan reasonably required by Transgrid by notice to the Customer within 10 Business Days after receiving the Remedial Plan to the scope of works or timetable for the Remedial Plan in the circumstances and resubmit the amended Remedial Plan to Transgrid for approval;
  - (iii) diligently undertake such remedial work and report at monthly intervals to Transgrid on progress in implementing the Remedial Plan (as amended under paragraph 3(b)(ii) of this Schedule 4); and
  - (iv) conduct further tests or monitoring on completion of the remedial work as reasonably required by Transgrid to confirm that it complies with the level of performance determined by Transgrid for the Connection Point under either clause S5.1.5(a) or clause S5.1.6(a) of the Rules, as the case may be.
- (c) If the Customer elects under paragraph 3(a)(ii) of this Schedule 4 to fund the reasonable cost of the works:
  - (i) Transgrid must provide the Customer within 30 Business Days with an estimate of the reasonable cost of such works; and
  - (ii) the Customer must pay Transgrid the amount determined by Transgrid of the actual cost of the works within 30 Business Days after Transgrid advising the Customer of the actual cost of the works.

### 4. BALANCING CURRENTS

The Customer must ensure that the load taken at each Connection Point is balanced to the extent necessary to enable Transgrid to maintain negative sequence voltage at that Connection Point at less than or equal to the limits set out in accordance with clause S5.1.7 of the Rules.

## 5. DETERMINED LEVELS OF HARMONICS AND VOLTAGE FLUCTUATIONS

- (a) The emission limits allocated to the Customer's Facilities by Transgrid under clause S5.1.5(a) or clause S5.1.6(a) of the Rules are set out in the Performance Standards, and are subject to amendment in accordance with the Rules.
- (b) Without limiting paragraph 4(a) of this Schedule 4, the interharmonic emission limit allocated to the Customer's Facilities is 0.1%, and is subject to amendment in accordance with the Rules

## Schedule 5 – Charges and related terms

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### 1. DEFINED TERMS

In this Schedule 5:

**"Annual Connection Fee"** means the annual charge for the provision of the Connection Services and the Exit Services, being:

- (a) for the first Contract Year, the Year 1 Annual Connection Fee determined in accordance with paragraph 4.2 of this Schedule 5; and
- (b) for subsequent Contract Years, the Annual Connection Fee, as adjusted from time to time in accordance with paragraph 4.6 of this Schedule 5.

**"Change in Applicable Law Event"** means:

- (a) a change in (or a change in the application or interpretation of) an Applicable Law;
- (b) the repeal of an Applicable Law; or
- (c) the introduction of an Applicable Law,

after the Execution Date to the extent that the change, repeal or introduction directly or indirectly results in Transgrid incurring higher or lower costs in providing any of the Services (as compared to the level of costs which Transgrid would have incurred in providing the relevant Services if that event had not occurred).

**"Change in Taxes Event"** means:

- (a) a change in (or a change in the application or official interpretation of) a Relevant Tax or the way in which a Relevant Tax is calculated;
- (b) the removal of a Relevant Tax; or
- (c) the imposition of a Relevant Tax,

after the Execution Date to the extent that the change, removal or imposition directly or indirectly:

- (d) applies to the provision of any of the Services by Transgrid or to goods or services supplied to Transgrid in respect of the provision of any of the Services; and
- (e) results in Transgrid incurring higher or lower costs in providing the Services (as compared to the level of costs which Transgrid would have incurred in providing the relevant Services if that event had not occurred).

**"Connection Variation Costs"** means the variation costs attributable to the Assets (as that term is defined in the Project Agreement), as notified or determined in accordance with clause [14] of the Project Agreement.

**"CPI"** means the Consumer Price Index All Groups (Weighted Average of Eight Capital Cities) published by the Australian Bureau of Statistics, but if there is any suspension or discontinuance of that CPI or if its method of calculation is materially altered, then an index which reflects movements in the cost of living in Australia will be substituted by Transgrid and the Customer (but if they are unable to agree upon the most appropriate index, then an index will be determined by an actuary appointed by the President for the time being of the Institute of Actuaries of Australia, which determination will be made by the appointee as an expert and not an arbitrator and will be binding on the parties).

**"Exchange Rates"** means, for a day, each of:

- (a) the spot rate of exchange for the purchase of United States Dollars with one Australian dollar;

- (b) the spot rate of exchange for the purchase of Swedish Krona with one Australian dollar;
- (c) the spot rate of exchange for the purchase of Canadian Dollars with one Australian dollar;
- (d) the spot rate of exchange for the purchase of South African Rand with one Australian dollar;
- (e) the spot rate of exchange for the purchase of Euros with one Australian dollar; and
- (f) the spot rate of exchange for the purchase of Chinese Yuan with one Australian dollar,

each time as last published on the website of the Reserve Bank of Australia prior to 5pm (Sydney time) on that day.]

**"FX Adjustment Date"** means the [insert date].

**"FX Exposed Amount"** means, for each of the foreign currencies in the table below, the amount (in Australian dollars) set out in the table below for that foreign currency in the column headed "FX Exposed Amount (in AUD) as at the FX Reference Date":

| Foreign currency | Exchange Rate as at the FX Reference Date | FX Exposed Amount (in relevant foreign currency) as at the FX Reference Date | FX Exposed Amount (in AUD) as at the FX Reference Date |
|------------------|---|--|--|
| USD              | [x – eg 0.64]                             | [x – eg \$xxx]   | [x]  |
| SEK              | [x]                                       | [x]  | [x]  |
| CAD              | [x]                                       | [x]  | [x]  |
| ZAR              | [x]                                       | [x]  | [x]  |
| EURO             | [x]                                       | [x]  | [x]  |
| CNY              | [x]                                       | [x]  | [x]  |

**"FX Reference Date"** means [insert date].]

**[Drafting note: Exchange rate adjustment regime to be considered for inclusion on a project by project basis, as required having regard to the scope and nature of the Connection Work.]**

**"Increased Connection O&M Costs"** has the meaning given to that term in the Project Agreement.

**"Initial Connection Fee"** means \$[•].

**"Pass Through Amount"** means in relation to a relevant Pass Through Event as set out at paragraph 7 of Schedule 5:

- (a) an amount the Customer is required to pay Transgrid or Transgrid is required to pay the Customer (as the case may be); or
- (b) a factor by which an amount the Customer is required to pay Transgrid is increased or decreased (as the case may be),

as determined pursuant to paragraph 7 of this Schedule 5.

**"Pass Through Event"** means in relation to a Service:

- (a) Change in Applicable Law Event, a Change in Taxes Event or a Service Standards Event which relates to that Service; and/or

(b) the occurrence of any event which is determined by the AER under the Pricing Rules to be a 'pass through event' for the purposes of amending the revenue cap applying to *prescribed transmission services* provided by Transgrid during a *regulatory control period*.

**"Pricing Rules"** means the provisions of Chapter 6A of the Rules and (where applicable) a Revenue Decision made in accordance with Chapter 6A of the Rules which describes the service being regulated and regulates the manner in which the price payable for the provision of that service by Transgrid may be determined by Transgrid from time to time.

**"Quarter"** and **"Quarterly"** means the period of 3 months commencing on 1 January, 1 April, 1 July or 1 October (as applicable).

**"Relevant Tax"** means any tax imposed by or payable directly or indirectly to any Authority (including a goods and services tax), but excluding any:

- (a) income tax (or State equivalent income tax), fringe benefits tax or capital gains tax;
- (b) penalties and interest for late payments relating to any tax; or
- (c) any tax that replaces any of the taxes referred to in paragraph (a) or (b) above.

**"Revenue Decision"** means a decision, determination, order or other ruling made by AER in accordance with the terms of the Rules relating to the provision of, and/or the pricing for, any of the Services.

**"Review Date"** means the last day of each Contract Year after the Execution Date.

**"Service Standards Event"** means in relation to a Service, a decision made by an Authority or any amendment to an Applicable Law after the Execution Date that has the effect of:

- (a) imposing a set of minimum standards on Transgrid in respect of that Service which is different from the set of minimum standards imposed on Transgrid in respect of that Service as at the Execution Date;
- (b) requiring Transgrid to undertake any activity as part of a Service in addition to those activities required to be undertaken as part of that Service as at the Execution Date; or
- (c) substantially varying the manner in which Transgrid is required to undertake any activity forming part of a Service as at the Execution Date,

as a result of which Transgrid incurs materially higher or lower costs in providing the Services (as compared to the level of costs Transgrid would have incurred in providing the relevant Services if that event had not occurred).

**"Year 1"** means the first Contract Year; **"Year 2"** and so on have a corresponding meaning.

## 2. INITIAL CONNECTION FEE

The Customer must pay the Initial Connection Fee on the Payment Commencement Date.

**[Drafting note: Quantum of the Initial Connection Fee (if any) to be considered and determined on a project by project basis.]**

## 3. VARIATION COSTS AND INCREASED CONNECTION O&M COSTS

The Customer must pay:

- (a) the Connection Variation Costs determined under and in accordance with the Project Agreement; and
- (b) the Increased Connection O&M Costs determined under and in accordance with the Project Agreement,

through an adjustment to the Annual Connection Fee in accordance with paragraph 4.2 of this Schedule 5.

#### 4. ANNUAL CONNECTION FEE

##### 4.1 Annual Connection Fee

The Customer must pay to Transgrid the Annual Connection Fee for each Contract Year in 12 equal monthly instalments (each a "**Monthly Instalment**") commencing from the Payment Commencement Date.

##### 4.2 The Year 1 Annual Connection Fee

The Customer must pay to Transgrid the Year 1 Annual Connection Fee for the first Contract Year of the Term. The Year 1 Annual Connection Fee ("**Yr1AnnConFee**") is calculated as follows:

$$\text{Yr1AnnConFee} = \text{Yr1Annuity} + \sum \text{VOAmt} [+ \text{FXAdjustAmt}]$$

where:

$$\text{Yr1Annuity} = \$[\cdot] \times \frac{\text{CPI (new)}}{\text{CPI (original)}}$$

where:

(a) *CPI (new)* = the most recently published Quarterly CPI prior to the commencement of Contract Year 1; and

(b) *CPI (original)* = the most recently published Quarterly CPI for the Quarter immediately prior to the Commencement Date,

provided that if *CPI (new)* is less than *CPI (original)*,  $\frac{\text{CPI (new)}}{\text{CPI (original)}}$  is deemed to equal 1.

$\sum \text{VOAmt}$  = The adjustment to the Annual Connection Fee on account of any Connection Variation Costs as notified or determined under clause [14] of the Project Agreement.

*[FXAdjustAmt]* = For each foreign currency listed in the table in the definition of "FX Exposed Amount" ("**Relevant Foreign Currency**"), if the Exchange Rate on the FX Adjustment Date for the Relevant Foreign Currency is lower than the corresponding Exchange Rate as at the FX Reference Date for that Relevant Foreign Currency ("**Changed Exchange Rate**"), a positive amount (in Australian dollar terms) that would ensure that the FX Exposed Amount (denominated in the Relevant Foreign Currency) for the Changed Exchange Rate remains the same on the FX Adjustment Date as compared to the FX Reference Date.]

*[Drafting note: Inclusion of clause 4.2A will be assessed by Transgrid on a project by project basis.]*

##### 4.2A Tax on transfer of land

The Customer must, within 10 Business Days after the later of:

- (a) the Payment Commencement Date; and
- (b) the date on which Transgrid provides reasonable documentation to support the value of the *FVLandAcq*,

pay to Transgrid a once off amount (being the *FVLandAcqTaxRec*) determined in accordance with the following formula:

$$FVLandAcqTaxRec = FVLandAcq \times CompTaxRate$$

**FVLandAcq** = the fair value of the property acquired from the Customer in respect of the Connection Site. Transgrid will provide reasonable documentation to support the value of this item.

**CompTaxRate** = the company tax rate that applied on the Date of Practical Completion.]

#### 4.3 The Year 1 Monthly Instalment

Where the Year 1 Annual Connection Fee is payable under paragraph 4.2 of this Schedule 5, the Year 1 Monthly Instalment will be calculated as follows:

$$Yr1MonthlyInstal = \frac{Yr1AnnConFee}{12}$$

For those months where the Year 1 Annual Connection Fee is not finalised by Transgrid in accordance with the process outlined in paragraph 4.2 of this Schedule 5, the Customer will be required to pay interim monthly instalments for Year 1 (the "**Interim Monthly Instalments**").

#### 4.4 The Year 1 Interim Monthly Instalment

The Year 1 Interim Monthly Instalment will be calculated as follows:

$$Yr1InterimMonthlyInstal = \frac{Yr1Annuity}{12}$$

#### 4.5 The Year 1 Adjustment

Once the Year 1 Annual Connection Fee is finalised by Transgrid in accordance with the process outlined in paragraph 4.2 of this Schedule 5, an adjustment (the "**Year 1 Adjustment**") will be calculated for those applicable prior months where Year 1 Interim Monthly Instalments had been invoiced ("**No.ApplPriorMths**").

The Year 1 Adjustment will be calculated as follows:

$$Yr1Adjust = (Yr1MonthlyInstal - Yr1InterimMonthlyInstal) \times No.ApplPriorMths$$

The Year 1 Adjustment amount will be increased by an amount for interest. This interest amount will be calculated by multiplying the calculated Year 1 Adjustment by the interest rate Transgrid applies to connection agreements generally for the period from the Payment Commencement Date to the payment due date for the Year 1 Adjustment.

The first Year 1 Monthly Instalment plus the Year 1 Adjustment (increased by the amount of interest determined above) will be invoiced in the first Billing Period that follows the finalisation of the calculation of the Year 1 Annual Connection Fee by Transgrid in accordance with the process outlined in paragraph 4.2 of this Schedule 5. The Year 1 Monthly Instalment will then be invoiced for each remaining Billing Period in Year 1.

#### 4.6 Annual Adjustment to Annual Connection Fee

The Annual Connection Fee for each Contract Year after Contract Year 1 (ie Contract Year  $t$ ) will be determined in accordance with the following formula:

$$AnConFee_t = AnConFee_{t-1} \times \frac{CPI (new)}{CPI (original)}$$

where:

$AnConFee_t$  = the Annual Connection Fee for Contract Year  $t$ ;

$AnConFee_{t-1}$  = (1) for Contract Year 2, it shall mean the  $Yr1AnnConFee$ ; or

(2) in all other *Contract Years*, it shall mean the Annual Connection Fee for the Contract Year immediately preceding Contract Year t;

*CPI (new)* = the most recently published Quarterly CPI prior to the commencement of Contract Year t; and

*CPI (original)* = the CPI for the Quarter that occurred 12 months prior to the Quarter which is the subject of *CPI (new)*,

provided that if *CPI (new)* is less than *CPI (original)*,  $\frac{CPI (new)}{CPI (original)}$  is deemed to equal 1.

## 5. VARIATIONS OF CHARGES AND RECOVERY OF PASS THROUGH AMOUNTS

- (a) Transgrid may:
  - (i) vary the Annual Connection Fee in accordance with the procedures set out in paragraph 4 or 7 of this Schedule 5;
  - (ii) vary the other Charges (if any) (other than the Initial Connection Fee and the Annual Connection Fee) in accordance with the procedures set out in paragraph 7 of this Schedule 5 (unless such a variation is prohibited by or is inconsistent with or is unreasonable given the requirements of the Pricing Rules applying at that time); and
  - (iii) recover from the Customer in accordance with paragraph 7 of this Schedule 5, any Pass Through Amount which is not otherwise being recovered as a result of the operation of paragraphs 5(a)(i) or 5(a)(ii) of this Schedule 5 (unless Transgrid is prohibited by the requirements of the Pricing Rules applying at that time from recovering that Pass Through Amount from the Customer).
- (b) Any variation to a Charge or other amount in accordance with paragraph 5(a) of this Schedule 5 will not commence to apply until:
  - (i) in the case of a variation to the Annual Connection Fee referred to in paragraph 5(a)(i) of this Schedule 5, the first day of the Contract Year immediately following the relevant anniversary of the Payment Commencement Date;
  - (ii) in the case of a variation to the other Charges referred to in paragraph 5(a)(ii) of this Schedule 5, the first day of the Contract Year immediately following the relevant Review Date; and
  - (iii) in all other cases, the commencement of the second Billing Period after the Customer receives a notice from Transgrid setting out the details of that variation.

## 6. ASSET STRANDING CHARGE

- (a) The Customer must pay to Transgrid the Asset Stranding Charge or such lesser amount as may be advised by Transgrid in accordance with the invoice for payment of the Asset Stranding Charge issued pursuant to clause 10.2(b)(i) or clause 12.10(c) of this agreement (the "**Payment Date**").
- (b) The "**Asset Stranding Charge**" means the amount determined in accordance with Schedule 7 (as may be amended in accordance with clause [14] of the Project Agreement).
- (c) Nothing in this paragraph 6 of this Schedule 5 will limit Transgrid's right to recover:
  - (i) any amount owing by the Customer under this agreement prior to the Payment Date;
  - (ii) Damages from the Customer in relation to a Non-Financial Default by the Customer; or
  - (iii) any amount which becomes payable under clause 12.10 of this agreement.

- (d) This paragraph 6 of Schedule 5 survives the termination of this agreement.
- (e) The Customer acknowledges and agrees that if the Customer's obligation to pay any Charges or other amount in accordance with this Schedule 5 is unenforceable for any reason (including because the relevant Charges or other amount is held to be a penalty), Transgrid may claim general damages from the Customer in relation to the relevant amounts.

## 7. PASS THROUGH EVENTS

- (a) If a Pass Through Event occurs:
  - (i) Transgrid may recover from the Customer (either by way of a separate item or credit in each subsequent invoice or by adjusting the Charge for the Services), a Pass Through Amount being such amount as Transgrid reasonably considers is necessary to compensate Transgrid for the increase in the cost to Transgrid of providing those Services as a result of that Pass Through Event; or
  - (ii) Transgrid will refund to the Customer (either by way of a separate item or credit in each subsequent invoice or by adjusting the Charge for the Services) a Pass Through Amount being such amount as Transgrid reasonably considers is necessary to compensate the Customer for the decrease in the cost to Transgrid of providing those Services as a result of that Pass Through Event.
- (b) Any dispute between the parties in relation to a Pass Through Amount will be resolved in accordance with clause 14 of this agreement.

## 8. TUOS

- (a) In this agreement, Transmission Use of System Charges means any use of system charges or equivalent amounts determined by Transgrid in accordance with Applicable Laws.
- (b) Transgrid may charge the Customer for the Services any Transmission Use of System Charges which will be payable at the same time and in the same manner as the other Charges payable under this agreement and in accordance with this Schedule 5.
- (c) If at any time Transgrid is permitted under Applicable Laws to charge a Transmission Use of System Charge, Transgrid may give notice to the Customer specifying:
  - (i) the Transmission Use of System Charge (giving reasonable details of it); and
  - (ii) the date on which the Transmission Use of System Charge takes effect (which may be earlier than the date of the notice if permitted under the relevant Applicable Law).
- (d) If Transgrid gives a notice under paragraph 8(c) of this Schedule 5, the Customer must pay the new Transmission Use of System Charge specified in the notice from the date on which the charge takes effect, as specified in the notice.

## 9. SYSTEM STRENGTH CHARGES

- (a) [The Customer acknowledges that it has elected:
  - (i) not to pay the system strength charge; and
  - (ii) to undertake, and will be responsible for, all work required to implement any *system strength remediation scheme* agreed or determined under the Rules in respect of connecting the Customer's Facilities to the Connection Assets.
- (b) If:
  - (i) Transgrid has undertaken a full *system strength impact assessment* in accordance with the Rules;

(ii) that assessment indicates that connecting the Customer's Facilities to the Connection Assets will have a general *system strength impact*; and either:

(iii) the Customer has not undertaken the works in paragraph 9(a)(ii) of this Schedule 5; or

(iv) any general system strength impact arising from connecting the Customer's Facilities to the Connection Assets has not been avoided or remedied by a *system strength remediation scheme* that has been agreed or determined under the Rules and implemented by the Customer and the Customer has not undertaken further work to avoid or remedy any *general system strength impact* arising from connecting the Customer's Facilities to the Connection Assets,

Transgrid may undertake system strength connection works required under the Rules to avoid or remedy any *general system strength impact* arising from connecting the Customer's Facilities to the Connection Assets and the Customer will indemnify Transgrid for any costs incurred in the performance of these system strength connection works.

(c) In this agreement, 'System Strength Charges' means the cost of Transgrid undertaking any *system strength connection works* required under the Rules to avoid or remedy any general system strength impact arising from connecting the Customer's Facilities to the Connection Assets.]

(d) [In this agreement, System Strength Charges means any system strength charges or equivalent amounts determined by Transgrid in accordance with Applicable Laws.]

**[Drafting note: This paragraph 9 to be amended on a project by project basis to reflect the applicable system strength regime for the Customer's assets.]**

(e) If at any time Transgrid is permitted under Applicable Laws to charge a System Strength Charge, Transgrid may give notice to the Customer specifying:

- the System Strength Charge (giving reasonable details of it); and
- the date on which the System Strength Charge takes effect (which may be earlier than the date of the notice if permitted under the relevant Applicable Law).

(f) If Transgrid gives a notice under paragraph 9(e) of this Schedule 5, the Customer must pay the new System Strength Charge specified in the notice from the date on which the charge takes effect, as specified in the notice.

## 10. OTHER SERVICES AND CHARGES

(a) If at any time Transgrid is permitted under Applicable Laws to:

- charge a different amount for the Services; or
- charge for another service provided by Transgrid to the Customer,

Transgrid may give notice to the Customer specifying:

- the new charge (giving reasonable details of it); and
- the date on which the new charge takes effect (which may be earlier than the date of the notice if permitted under the relevant Applicable Law).

(b) If the Customer receives a notice from Transgrid under paragraph 10(a) of this Schedule 5, the Customer must pay the new charge specified in the notice from the date on which the new charge takes effect, as specified in the notice.

## 11. UPGRADE WORK

- (a) If, at any time during the Term, Transgrid determines, acting reasonably, that it is necessary to upgrade or replace the Assets as a result of such Assets becoming obsolete or reaching the end of their service life (the "**Upgrade Work**") in order to continue to provide the Services in accordance with this agreement, Transgrid may undertake the Upgrade Work and is entitled to charge the Customer for such work.
- (b) Prior to undertaking the Upgrade Work, Transgrid must provide to the Customer a notice setting out:
  - (i) the aggregate of the Sub-Contractor's Costs, Consultant's Fees, Transgrid's Costs, Licence Costs, Easement Costs, Out of Pocket Expenses and Administration Fees (each as defined in the Project Agreement) that Transgrid anticipates it will incur to undertake the Upgrade Work (the "**Anticipated Upgrade Costs**");
  - (ii) a detailed breakdown of the Anticipated Upgrade Costs and reasonable evidence of the Anticipated Upgrade Costs in respect of third parties (such as quotes); and
  - (iii) the date on which the Anticipated Upgrade Costs must be paid.
- (c) The Customer must pay the Anticipated Upgrade Costs on the date notified to the Customer under paragraph 11(b)(ii) of this Schedule 5.

## 12. MINOR UPGRADE WORKS

- (a) If, at any time during the Term the Customer requests that Transgrid undertake, and Transgrid agrees to undertake, any minor additional augmentation or upgrade work in respect of the Assets (excluding any Services already provided under this Agreement) (the "**Minor Upgrade Work**"), Transgrid may undertake the Minor Upgrade Work and is entitled to charge the Customer for such work.
- (b) Prior to undertaking any Minor Upgrade Work, Transgrid must provide to the Customer a notice setting out:
  - (i) the aggregate of the Sub-Contractor's Costs, Consultant's Fees, Transgrid's Costs, Licence Costs, Easement Costs, Out of Pocket Expenses and Administration Fees (each as defined in the Project Agreement) that Transgrid anticipates it will incur to undertake the Minor Upgrade Work (the "**Anticipated Minor Upgrade Costs**");
  - (ii) a detailed breakdown of the Anticipated Minor Upgrade Costs and reasonable evidence of the Anticipated Minor Upgrade Costs in respect of third parties (such as quotes); and
  - (iii) the date on which the Anticipated Minor Upgrade Costs must be paid.
- (c) The Customer must pay the Anticipated Minor Upgrade Costs on the date notified to the Customer under paragraph 12(b)(iii) of this Schedule 5.

## 13. COST ALLOCATION

If the Assets are used to provide *negotiated transmission services* to any other Transmission Network User, the Annual Connection Fee must be adjusted to reflect any cost allocation required by Schedule 5.11 of the Rules.

## Schedule 6 – Ancillary services

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***[Drafting note: TG to update on a project by project basis as required.]***

## Schedule 7 – Asset Stranding Charge

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Subject to clause [14] of the Project Agreement, the Asset Stranding Charge for each period during the Term is as set out in the following table:

| Contract Year | Asset Stranding Charge (\$m) |
|---------------|------------------------------|
| 1.            |                              |
| 2.            |                              |
| 3.            |                              |
| 4.            |                              |
| 5.            |                              |
| 6.            |                              |
| 7.            |                              |
| 8.            |                              |
| 9.            |                              |
| 10.           |                              |
| 11.           |                              |
| 12.           |                              |
| 13.           |                              |
| 14.           |                              |
| 15.           |                              |
| 16.           |                              |
| 17.           |                              |
| 18.           |                              |
| 19.           |                              |
| 20.           |                              |
| 21.           |                              |
| 22.           |                              |
| 23.           |                              |
| 24.           |                              |
| 25.           |                              |

## Schedule 8 – Service target performance incentive scheme and other performance schemes

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### 1. RELEVANT EVENTS

The Customer is required to compensate Transgrid for any loss incurred or revenue foregone by Transgrid under AER's service target performance incentive scheme or any replacement, amended or other similar scheme (a "**Performance Scheme**") (taking into account all available exemptions) that is attributable to or caused by:

- (a) any outages needed to undertake the Connection Work (as defined in the Project Agreement) other than any outages that are required due to Transgrid's breach of the Project Agreement or negligence; or
- (b) the operation or maintenance of the Customer's Facilities in breach of the Customer's obligations under this agreement during the Term,
  - (a "Relevant Event").

### 2. PROPORTIONAL ALLOCATION

If the loss incurred or revenue forgone is attributable partly to the Relevant Event, and a concurrent cause, the loss incurred or revenue foregone will be allocated proportionately by Transgrid acting reasonably.

### 3. PERIOD SETTLEMENT AMOUNT

For each calendar year (or part thereof) from the Commencement Date to the Payment Commencement Date ("**Period**"), the Customer is required to pay to Transgrid the amounts payable under paragraphs 1 and 2 of this Schedule 8, calculated as follows:

- (a) the difference between the incentive or revenue payment Transgrid would have received under the Performance Scheme for that Period but for the Relevant Event during that Period and the incentive payment it actually receives under the Performance Scheme for that Period; and
- (b) the loss or payment incurred by Transgrid under the Performance Scheme attributable to or caused by the Relevant Event during that Period,

each as calculated by Transgrid acting reasonably (the "**Period Settlement Amount**").

### 4. CONTRACT YEAR SETTLEMENT AMOUNT

For each Contract Year, the Customer is required to pay to Transgrid the amounts payable under paragraphs 1 and 2 of this Schedule 8, calculated as follows:

- (a) the difference between the incentive or revenue payment Transgrid would have received under the Performance Scheme for that Contract Year but for the Relevant Event during that Contract Year and the incentive payment it actually receives under the Performance Scheme for that Contract Year; and
- (b) the loss or payment incurred by Transgrid under the Performance Scheme attributable to or caused by the Relevant Event during that Contract Year,

each as calculated by Transgrid acting reasonably (the "**Contract Year Settlement Amount**").

### 5. SUPPORTING EVIDENCE

Transgrid will provide to the Customer reasonable evidence to support the calculation of each Period Settlement Amount and each Contract Year Settlement Amount.

## Schedule 9 – Load Shedding

---

### 1. [LOAD SHEDDING SCHEME

Without limiting any rights of Transgrid under this agreement, Transgrid will design, procure, install, test and commission into service under the Project Agreement a PLC communication based load shedding system as described in the Operating Protocol.

### 2. LOAD SHED EVENT

Upon the occurrence of a Load Shed Event:

- (a) Transgrid shall:
  - (i) make contact with the Customer within 30 minutes of initiation of the Load Shed Event;
  - (ii) advise the cause, expected magnitude and duration of the Load Shed Event; and
  - (iii) provide contact details of the relevant *System Operator*.
- (b) Transgrid or the relevant System Operator will restore power to the Customer within a maximum of 2 hours following the passing of the abnormal network conditions that caused the Load Shed Event.
- (c) Transgrid or the relevant System Operator will advise the Customer if the expected magnitude or duration of the Load Shed Event changes.]

**[Drafting Note:** To be assessed for inclusion on a project-by-project basis.]

## Attachment 1 – Related Company Deed

### Deed of limitation and exclusion of liability

**NSW Electricity Networks Operations Pty Limited** (ACN 609 169 959) as trustee for **NSW Electricity Networks Operations Trust** (ABN 70 250 995 390)

Transgrid

**[Related Company name]** (ABN [Related Company ABN])

Related Company

**Date:**

## **PARTIES**

**NSW Electricity Networks Operations Pty Limited** (ACN 609 169 959) as trustee for **NSW Electricity Networks Operations Trust** (ABN 70 250 995 390) of Level 1, 180 Thomas Street, Sydney NSW 2000 ("Transgrid")

[Related Company name] (ABN [Related Company ABN]) having its registered office at [Related Company address] (the "**Related Company**")

## **Recitals**

- A. Transgrid and [Customer name] (the "**Customer**") are parties to a Connection Agreement under which Transgrid provides services to the Customer in relation to the Customer's Facilities at the [Insert] (the "**Connection Agreement**"). A copy of the Connection Agreement has been provided to the Related Company. [
- B. Among other things, the Connection Agreement defines the extent of Transgrid's liability to the Customer, and contains limitations and exclusions on Transgrid's liability to the Customer.
- C. The Related Company is, or wishes to become, a Related Company of the Customer as defined in the Connection Agreement. As a result of the appointment of the Related Company as a Related Company of the Customer, Transgrid may, in the absence of this deed, be exposed to liability to the Related Company in relation to matters that would otherwise have been covered by the exclusions and limitations of liability under the Connection Agreement.
- D. The Connection Agreement provides that the Customer must not appoint a Related Company without first requiring the Related Company to enter into a deed in the form attached to the Connection Agreement under which the Related Company agrees to exclusions and limitations on Transgrid's liability to the Related Company.
- E. Accordingly, the Related Company has agreed to enter into this deed with Transgrid and has agreed that any liability that Transgrid and its Associates may incur to the Related Company will be subject to the exclusions and limitations set out in this deed.

## **Operative provisions**

### **1. TERM**

- 1.1 This deed commences on the date on which it has been executed by both parties and continues for so long as the Related Company is a Related Company of the Customer (or any successor or assignee of the Customer) under the Connection Agreement or any agreement that replaces the Connection Agreement.
- 1.2 The Related Company must immediately notify Transgrid (at the address for notices set out in the Connection Agreement) if the Related Company ceases to be a Related Company of the Customer.

### **2. CAP ON TRANSGRID'S LIABILITY TO THE RELATED COMPANY**

- 2.1 If the Related Company or the Customer (or both) makes any Claim or Claims against Transgrid and its Associates, then the total combined liability of Transgrid and its Associates to the Related Company and the Customer arising out of or in connection with any Claim or Claims will be limited to:
  - 2.1.1 in respect of any single event or circumstance (and a series of acts or omissions arising out of or in connection with the same event or circumstance will be taken to be a single event or circumstance), the amount determined under clause [13] of the Connection Agreement; and

- 2.1.2 in respect of all events or circumstances occurring in any one Contract Year, the amount determined under clause [13] of the Connection Agreement.
- 2.2 If Transgrid has paid, or is liable or becomes liable to pay, any amount to the Customer in relation to any Claim that is covered by clause 2.1, that amount will be deducted from Transgrid's maximum liability to the Related Company under clause 2.1.
- 2.3 The limitation of Transgrid's liability in any Contract Year described in clause 2.1.2 is to apply in respect of a whole Contract Year. Accordingly, the amount in clause 2.1.2 shall be pro-rated for any part Contract Years.

### 3. NO LIABILITY FOR CERTAIN TYPES OF LOSS

- 3.1 The Related Company agrees that Transgrid and its Associates are not liable for any Claims by the Related Company in relation to:
  - 3.1.1 any loss that is not Direct Loss; or
  - 3.1.2 any loss of use, revenue or profit by the Related Company or the amount of any damages awarded against the Related Company in favour of, or monies paid by the Related Company by way of settlement to, any third party and any resulting costs or expenses of the Related Company; or
  - 3.1.3 any loss of use, revenue, profit or opportunity of pure economic loss.
- 3.2 To the extent permitted by law, Transgrid and its Associates will have no liability to the Related Company for any Claims arising out of or in connection with any act or omission by Transgrid and its Associates, whether or not in Transgrid's capacity as a *system operator*, in relation to the performance, non-performance or purported performance of any System Operations Function.
- 3.3 The Related Company and Transgrid agree that:
  - 3.3.1 the actual amount of electricity which can be taken from Transgrid's *transmission network* at any point in time will depend upon (amongst other things) the Capacity of Transgrid's *transmission network*, the Agreed Capability at each Connection Point and Maximum Permitted Demand of the Customer's Facilities at that time;
  - 3.3.2 without limiting clause 3.3.1, conditions on or affecting Transgrid's *transmission network* (including constraints caused by other *Network Users* withdrawing electricity from Transgrid's *transmission network* in accordance with the terms of the Rules and their respective *connection agreements* with Transgrid) may, at any point in time, limit the actual amount of electricity which can be withdrawn from the Customer's Facilities (at the Connection Point) into Transgrid's *transmission network* to an amount which is equal to the available Capacity of Transgrid's *transmission network* at that time;
  - 3.3.3 the Capacity of Transgrid's *transmission network* deliver electricity to the Customer's Facilities at the Connection Point will only be available to be utilised by the Customer and the Related Company on a non-exclusive or "non-firm" basis (i.e. the Customer and the Related Company have no exclusive or "firm" right or entitlement to use all or any part of the available Capacity of Transgrid's *transmission network* in priority to any other *Transmission Network User*); and
  - 3.3.4 Transgrid and its Associates will have no liability to the Related Company for any Claims arising out of or in connection with any Damages suffered by the Related Company (or any third party with whom the Related Company contracts) as a direct or indirect result of the Customer or the Related Company being unable to withdraw electricity from Transgrid's *transmission network* at the Connection Point due to any limitation in relation to the Capacity of the Transgrid *transmission network* at that time (including any constraint caused by other *Network Users*).

injecting electricity into Transgrid's *transmission network* in accordance with the terms of the Rules and their respective *connection agreements*).

- 3.4 To the extent permitted by law, all warranties, terms and conditions in relation to the provision of the Services under the Connection Agreement that may be implied by use, statute or otherwise are excluded and the Related Company may not make any Claims against Transgrid in relation to any such matter.
- 3.5 If at any time, Transgrid has the right to suspend or limit the provision of Services under the Connection Agreement but has not exercised that right then, during any period when Transgrid is entitled to suspend or limit the provision of Services but continues to provide any such Services (the "**Continuation Period**"), Transgrid will have no liability to the Related Company for any Claims arising out of or in connection with:
  - 3.5.1 the provision of the Services by Transgrid during the Continuation Period; or
  - 3.5.2 any failure by Transgrid during the Continuation Period to comply with an obligation under the Connection Agreement relating to the provision of the Services.

#### 4. DEFINITIONS

##### 4.1 In this deed:

- 4.1.1 "**Claims**" means all claims, actions, disputes, proceedings, losses, liabilities, costs or expenses whether arising in contract, tort (including breach of statutory duty and negligence), equity or otherwise arising out of or in connection with:
  - (a) the connection of the Customer's Facilities to the Transmission System under the Connection Agreement or the Rules;
  - (b) the provision of Services, *transmission services* or any other services that are directly or indirectly related to the Customer's Facilities, under the Connection Agreement or the Rules;
  - (c) the Assets; or
  - (d) any other matter that is directly or indirectly related to the Connection Agreement or the Services.
- 4.1.2 "**Connection Agreement**" has the meaning given to that term in recital A;
- 4.1.3 "**Continuation Period**" has the meaning given to that term in clause 3.5;
- 4.1.4 "**Customer**" has the meaning given to that term in recital A;
- 4.1.5 "**Direct Loss**" means direct loss, injury, damage or expense of the Related Company that is caused by Transgrid's failure to comply with, observe or perform any provision of the Connection Agreement;
- 4.1.6 capitalised terms that are not defined in this deed have the meaning set out in the Connection Agreement;
- 4.1.7 references to clauses are references to clauses of this deed unless the context otherwise requires; and
- 4.1.8 italicised terms have the meaning set out in the Rules.

##### 4.2 The definition of Related Company set out in the Connection Agreement is the following:

"**Related Company**" means any entity (other than the Customer) which:

- (a) is registered under the Rules as a *Customer* in relation to an *integrated resource system*;
- (b) would have been required under the Rules to be registered as an *Integrated Resource Provider* in relation to the Customer's Facilities (or any part of the Customer's Facilities) if

another party had not been registered as an *Intermediary* under the Rules in relation to the Customer's Facilities (or that part of the Customer's Facilities); or

(c) otherwise deals with or enters into contracts with either the Customer or with a company described in clause 4.2(a) or 4.2(b) in relation to a contract:

- (i) for the purchase of electricity imported or exported by the Customer's Facilities (or by reference to the Customer's Facilities); or
- (ii) under which that party has a right to otherwise deal with, trade or hedge in relation to the electricity imported or exported by the Customer's Facilities (or by reference to the Customer's Facilities).

## 5. MISCELLANEOUS

### 5.1 No acknowledgment of liability

This deed does not constitute an acknowledgement that Transgrid and its Associates owe any duty of care to the Related Company or that Transgrid and its Associates will have any liability to the Related Company, or would have any such liability in the absence of this deed.

### 5.2 National Electricity Law

Except as expressly provided in this deed, the terms of this deed do not represent a waiver by Transgrid of, nor an agreement to limit or exclude, any limitation of Transgrid's liability under sections 119 or 120 of the NEL.

### 5.3 Governing law and jurisdiction

Each party irrevocably submits to the non-exclusive jurisdiction of the courts located in New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating in any way to this deed. Each party irrevocably waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, where that venue falls within this clause.

### 5.4 Severability

Each provision of this deed is individually severable. If any provision is or becomes illegal, unenforceable or invalid in any jurisdiction it is to be treated as being severed from this deed in the relevant jurisdiction, but the rest of this deed will not be affected. The legality, validity and enforceability of the provision in any other jurisdiction will not be affected.

### 5.5 Counterparts

- (a) This deed may be executed electronically, in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this deed, all of which together constitute one deed.
- (b) Each signatory confirms that their signature appearing in the document, including any such print-out (irrespective of which party printed it), is their personal signature authenticating it.
- (c) A party who has executed a counterpart of this deed may exchange that counterpart with another party by emailing the counterpart executed by it to that other party and, upon request by that other party, will thereafter promptly deliver by hand or post to that other party the executed counterpart so exchanged by email, but delay or failure by that party to so deliver a counterpart of this deed executed by it will not affect the validity of this deed.
- (d) Where a person signs this deed electronically, the electronic signature is an effective binding signature, and the electronic document containing it can be an effective electronic counterpart of

this deed. In addition, the person intends that any print-out of the signature by a party will also constitute an effective original signature, so that the print-out will also be an executed original counterpart of the deed.

**Executed as a Deed**

Each attorney executing this agreements states that he or she has no notice of the revocation or suspension his or her power of attorney.

SIGNED for and on behalf of **NSW Electricity Networks Operations Pty Limited** (ACN 609 169 959) as trustee for **NSW Electricity Networks Operations Trust** (ABN 70 250 995 390) in accordance with section 126 of the *Corporations Act 2001* (Cth) by its attorneys under power of attorney:

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Signature of Attorney

---

Signature of Attorney

---

Name and position of Attorney

---

Name and position of Attorney

---

Date:

---

Date:

SIGNED for and on behalf of **[Related Company Name]** (ABN [Related Company ABN]) in accordance with section 127 of the *Corporations Act 2001* (Cth):

---

Signature of Director/Secretary  
(delete as applicable)

---

Signature of Director

---

Name of Director/Secretary

---

Name of Director

---

Date:

---

Date:

## Attachment 2 – Connection Agreement Data Book

### Connection Agreement Data Book

[Project name]

#### Version Control:

| Approval Date | Version  | Changes | Transgrid | Customer |
|---------------|----------|---------|-----------|----------|
|               | Original |         |           |          |
|               |          |         |           |          |
|               |          |         |           |          |

*[Drafting note: TG to update on a project by project basis as required.]*

## Part A – Details of Connection Assets and Customer's Facilities

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### 1. LOCATION OF CONNECTION POINT

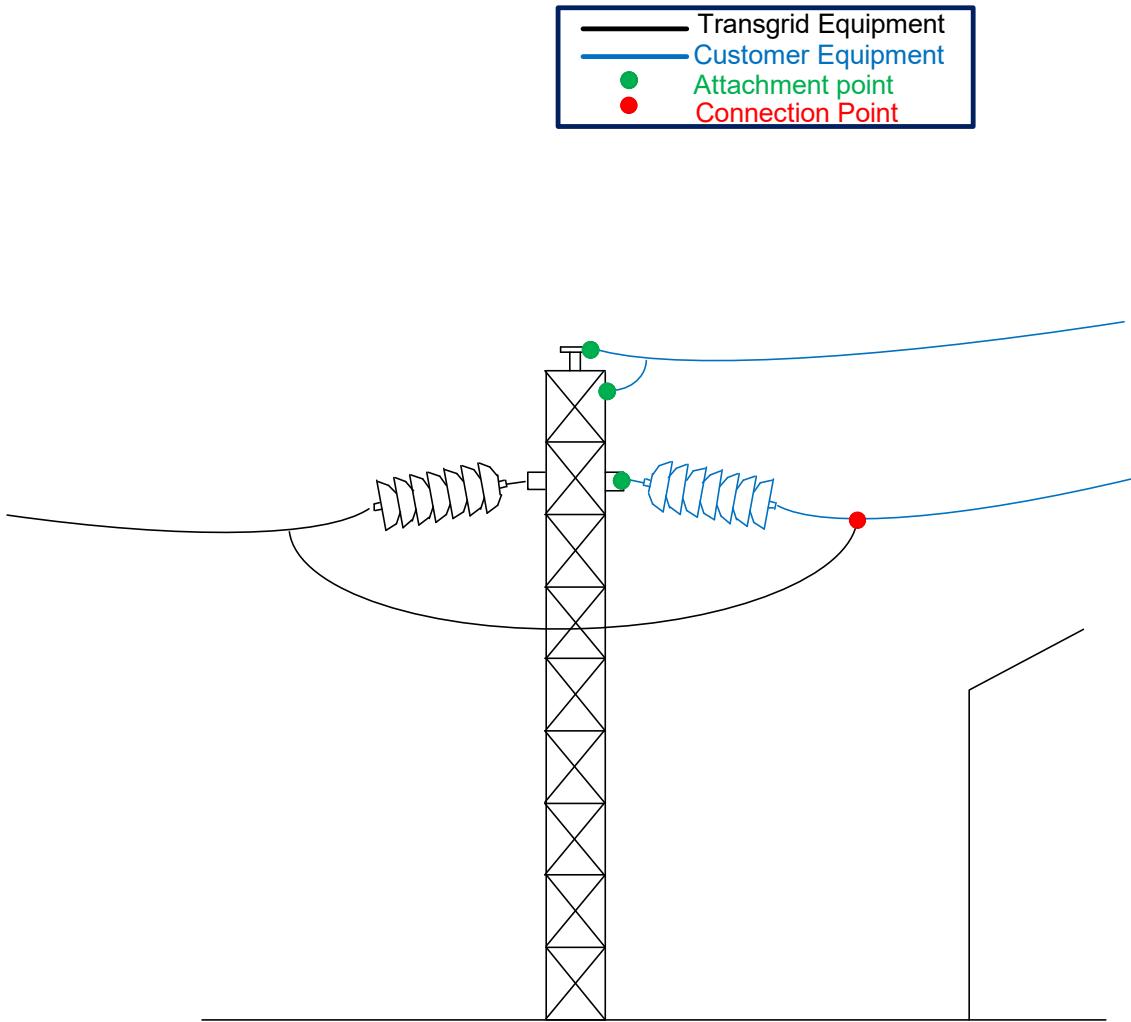
| Connection Point Number | Description | Location                     | Services Provided by Transgrid | Connection Point Nominal Voltage | Comments |
|-------------------------|-------------|------------------------------|--------------------------------|----------------------------------|----------|
| 1.                      | [*]         | Transgrid Substation Bay [*] | Entry / Exit                   | [*]kV                            |          |
| 2.                      |             |                              |                                |                                  |          |

### 2. AGREED CAPABILITY

| Connection Point Number | Description | Location                     | Connection Point Agreed Capability | Connection Point Nominal Voltage | Voltage Range | Comments |
|-------------------------|-------------|------------------------------|------------------------------------|----------------------------------|---------------|----------|
| 1.                      | [*]         | Transgrid substation Bay [*] | [*]MW                              | [*]kV                            |               |          |
| 2.                      |             |                              |                                    |                                  |               |          |

## Description of Connection Point

Example – Line – Connection Type G



Customer owned equipment:

- > Transmission line conductors and OHEWs - including deadends, fittings and insulators
- > Fittings required to attach conductors and OHEWs to structure – including links and bolts
- > Electrical connection of OHEW to the structure
- > Termination of any optical fibre cables on to terminal block

Transgrid owned equipment:

- > Structure required to support overhead conductors and OHEWs
- > Jumpers from Customer conductors to slack span within the substation – including fittings and bolts

**Location of Connection Points and Connection Assets (Use Operating Diagram or Single Line Diagram)**

**[Insert]**

### 3. DESCRIPTION OF TRANSGRID CONNECTION ASSETS

#### 3.1 Transgrid Connection Assets

- (a) Switchbay Circuit Breaker
- (b) Switchbay Disconnectors
- (c) Switchbay Earth Switch
- (d) Switchbay Current Transformer
- (e) Switchbay Voltage Transformer
- (f) Switchbay civil and structural works, including structures required to support overhead conductors and OHEW
- (g) Any other plant or equipment wholly or partially associated with the switchbay
- (h) Protection, control and communication equipment
  - (i) Protection 1 details
  - (ii) Protection 2 details

### 4. DESCRIPTION OF CUSTOMER'S FACILITIES AND MAXIMUM PERMITTED OUTPUT

#### 4.1 Description of Customer's Facilities

- (a) Overhead conductor/cable
- (b) Disconnectors
- (c) Current Transformer
- (d) Voltage Transformer
- (e) Generator Circuit Breaker
- (f) Structures
- (g) Protection, control and communication equipment
  - (i) Protection 1 details
  - (ii) Protection 2 details

#### 4.2 Maximum Permitted Demand

[\*]MW

## 5. FAULT LEVELS

| Connection Point Number | Description | Location | Transgrid's Actual Fault level at the Connection Point at the Commencement Date (kA) | Connection point Fault Level Capability (kA) |
|-------------------------|-------------|----------|--|--|
| 1.                      | [*]         | [*]      | [*]kA  | [*]kA  |
| 2.                      |             |          |  |  |

## Part B – Metering Equipment

| NMI | Connection Point | <i>Metering Point Location</i> | Loss Allowance | <i>Metering Provider</i> | <i>Metering Coordinator</i> | Metering Type | Meter Class | VT Class | CT Class |
|-----|------------------|--------------------------------|----------------|--------------------------|-----------------------------|---------------|-------------|----------|----------|
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |
|     |                  |                                |                |                          |                             |               |             |          |          |

## Part C – Records

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### 1. AUDITABLE RECORDS

| Item | Record Description                              | Responsibility        | Format                 | Classification |
|------|---|-----------------------|------------------------|----------------|
| 1.   | Maintenance Records                             | Transgrid<br>Customer | Electronic             | Auditable      |
| 2.   | Asset Management Strategies, Standard and Plans | Transgrid<br>Customer | Paper or<br>Electronic | Auditable      |

### 2. CONTROLLED RECORDS

| Item | Record Description   | Responsibility        | Format                 | Classification |
|------|--|-----------------------|------------------------|----------------|
| 1.   | Operating Diagrams for Connection Points                             | Transgrid             | Paper or<br>Electronic | Controlled     |
| 2.   | Relay Test Instructions across Connection Points only.               | Transgrid<br>Customer | Paper or<br>Electronic | Controlled     |
| 3.   | Operating Procedures directly relating to Connection Point Equipment | Transgrid<br>Customer | Paper or<br>Electronic | Controlled     |

## Part D – Signals, data and alarms

---

### Set A - Data Exchange, Customer to Transgrid

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

### Additional I/O's Required To Interlock with TG

#### Hardwired Signals

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

### Set B - Data Exchange, Transgrid To Customer

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

#### Additional I/O's Required by Customer

##### Hardwired Signals

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

#### Set C - Alarms, Transgrid To Customer

| LOCATION | DESCRIPTION | MEASUREMENT |
|----------|-------------|-------------|
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |
|          |             |             |

## Part E – Technical Obligations

### 1. TRANSGRID TECHNICAL OBLIGATIONS

| Rules Reference | Technical Standard           | Qualifications and modifications  |
|-----------------|------------------------------|---|
| S5.1a.2         | Frequency                    | <p>Frequency control in relation to each Connection Point is the responsibility of AEMO.</p> <p>Transgrid has no obligation to maintain the frequency at each Connection Point in accordance with the requirements of S5.1a.2</p>   |
| S5.1a.3         | System Stability             | Transgrid will comply with the technical requirements of S5.1a.3 whilst the Customer's Facilities are operated within the limits and parameters set out in the Performance Standards.   |
| S5.1a.4         | Power Frequency Voltage      | Transgrid will comply with the technical requirements of S5.1a.4 whilst the Customer's Facilities are operated within the limits and parameters set out in the Performance Standards.   |
| S5.1a.5         | Voltage Fluctuations         | Transgrid will comply with the technical requirements of S5.1a.5 whilst the Customer's Facilities are operated within the limits and parameters set out in the Performance Standards.   |
| S5.1a.6         | Voltage Wave Form Distortion | Transgrid will comply with the technical requirements of S5.1a.6 whilst the Customer's Facilities are operated within the limits and parameters set out in the Performance Standards.   |
| S5.1a.7         | Voltage Unbalance            | Transgrid agrees to comply with the technical requirements of S5.1a.7 providing the Customer's Facilities operate within the registered Performance Standards.  |
| S5.1a.8         | Fault Clearance Times        | <p>The Fault Clearance Times applying to the relevant part of the Transmission System will be:</p> <ol style="list-style-type: none"> <li>the time set out in the Performance Standards; or</li> <li>in the event the Fault Clearance Times are not included in the Performance Standards, the relevant period determined in accordance with the Rules for the relevant part of the Transmission System.</li> </ol> |

## 2. THE CUSTOMERS' TECHNICAL OBLIGATIONS

| Rules Reference | Technical Standard                      | Qualifications and modifications   |
|-----------------|---|--|
| S5.2            | Conditions for Connection of Generators | Customer will satisfy the requirements and conditions as set out in S5.2 of the Rules and the obligations (subject to clause 5.2.5 of the Rules).  |
| S5.2.5          | Technical Requirements                  | Transgrid, AEMO and the Customer must agree on the performance standards for each technical requirement contained in Schedule 5.2 of the Rules and document the agreed performance standards which will be registered by AEMO.   |
| S5.3            | Conditions for Connection of Customers  | Customer will satisfy the requirements and conditions as set out in S5.3 of the Rules.   |
| 4.15            | Compliance with Performance Standards   | <p>The Customer must comply with the Performance Standards as defined in this agreement in accordance with clause 4.15 of the Rules from time to time after the Commencement Date.</p> <p>The Performance Standards may be altered during the term of this agreement in accordance with the Rules.</p> <p>The Customer must institute and maintain a compliance program in order to provide reasonable assurance of ongoing compliance with the requirements of Rules and the Technical Obligations.</p> |

## 3. PERFORMANCE STANDARDS

- (a) The current version of the Customer's Performance Standards as at the Execution Date are attached. The Customer acknowledges and agrees that the Performance Standards:
  - (i) are subject to any conditions set out AEMO's or Transgrid's letters under clauses 5.3.4A and 5.3.4B of the Rules;
  - (ii) may be changed in accordance with the Rules, including following further studies required: after the Execution Date as part of the Customer's *Customer* registration processes; and
  - (iii) are:
    - (A) the *performance standards* registered by AEMO from time to time in relation to any part of the Customer's Facilities; and
    - (B) to the extent not registered by AEMO, taken to be an applicable *performance standard* in accordance with clause 5.3.4A(i) of the Rules.
- (b) [The parties acknowledge and agree that, despite clause 1.7(f), this agreement will not be a connection agreement for the purpose of the Rules until:
  - (i) the *access standards* and *performance standards* for the Customer's Facilities have been finalised in accordance with the Rules; and
  - (ii) the *system strength impact assessment* for the connection of the Customer's Facilities has been finalised in accordance with the Rules and, if that assessment indicates that the connection of the Customer's Facilities will have an adverse system strength impact, a

*system strength remediation scheme* has been proposed by the Customer and accepted by Transgrid and AEMO in accordance with cause 5.3.4B of the Rules.

(c) Once the matters referred to in paragraphs 3(b)(i) and 3(b)(ii) of this Part E have been satisfied, this agreement (including the Connection Agreement Data Book set out in Attachment 2) is automatically updated to reflect the matters referred to in those paragraphs.]

## Part F – Address for service of notices

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### Transgrid

Name: Contracts Manager

Address: Level 1, 180 Thomas St, Sydney NSW 2000

Postal Address: Level 1, 180 Thomas St, Sydney NSW 2000

Telephone: 02 9284 3621

Email Address:

### The Customer

Name:

Address:

Postal Address:

Telephone:

Email Address:

## Attachment 3 – Operating Protocol

*[Drafting note: TG to update on a project by project basis as required.]*